FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Europe

FBIS-EEU-95-177
Wednesday
13 September 1995

Daily Report
East Europe

FBIS-EEU-95-177 CONTENTS *13 September 1995*

NOTICE: This volume contains a representative selection of material previously disseminated in softcopy format.

INTERNATIONAL AFFAIRS

Paper on UN Cover-Up of Srebrenica Massacre *[London THE OBSERVER 10 Sep]* 1

ALBANIA

Berisha Assesses Importance of U.S. Visit *[Tirana TV]* 3
'Fruitful' Talks With Secretary Rubin *[Tirana Radio]* 3
Press Views First Day in Washington *[KOHA JONE 12 Sep]* 3
Court Approves New Anticommunist Association *[Tirana TV]* 4

BULGARIA

Ministry Spokesman Reaffirms Position on NATO *[Sofia Radio]* 5
Association Objects to Support of NATO Strikes *[Sofia Radio]* 5
SDS Welcomes Geneva Agreement, Reproves Yeltsin *[Sofia Radio]* 5

CZECH REPUBLIC

Klaus on Relations With Slovakia, CEFTA Meeting *[Prague Radio]* 6
Poll: Havel Continues To Enjoy Most Confidence *[DENNI TELEGRAF 5 Sep]* 6

SLOVAKIA

Dismissed Investigator in Kovac Case Interviewed *[PRAVDA 11 Sep]* 8
Meciar Abstains From Alcohol for 'Health' Reasons *[Editorial Report]* 8
Ministry Voices 'Regret' at French Nuclear Tests *[SLOVENSKA REPUBLIKA 9 Sep]* 9
Daily: Nation Drifting Toward Russian Influence *[SME 9 Sep]* 9
HZDS Criticizes Czech Minister's Statement *[Bratislava Radio]* 9
Duray Describes Language Law as 'Atrocity' *[MAGYAR HIRLAP 9 Sep]* 10
Orthodox, Greek Catholic Churches Sign Agreement *[SME 7 Sep]* 11
Defense Minister Submits Bill on Civilian Service *[SLOVENSKA REPUBLIKA 9 Sep]* 11
General Staff Chief Maintains Army 'Impartial' *[PRAVDA 6 Sep]* 12
Article on Credit Offers for Mochovce's Completion *[PRAVDA 7 Sep]* 13

HUNGARY

Concern About Nearness of Yugoslav Conflict *[TANJUG]* 14
'Activity May Drift Across Border' *[MAGYAR NEMZET 12 Sep]* 14
Economic Cooperation Discussed With Yugoslavs *[TANJUG]* 14
KDNP Chairman: Replacement of Government 'Vital' *[UJ MAGYARORSZAG 11 Sep]* 15

BOSNIA-HERZEGOVINA

Izetbegovic: Serb 'Backbone' Broken in Vozuca *[Sarajevo Radio]* 16
Izetbegovic Aide on Geneva Framework *[Brussels LE SOIR 12 Sep]* 16
De Charette, Kozyrev, Sacirbegovic Discuss Bosnia *[AFP]* 17
Herzeg-Bosnia Official Kordic Views Federation *[SLOBODNA DALMACIJA 26 Aug]* 17
Demand for Croat Municipality of Bihac *[Zagreb Radio]* 19
Sandzak Muslims Meet OIC Contact Group *[Sarajevo Radio]* 19
Opposition LBO Denounces Geneva Agreement *[Sarajevo Radio]* 19
Daily: Belgrade To Decide on 'Necessary Sacrifice' *[VECERNJE NOVOSTI 2 Sep]* 20
Parties Support Izetbegovic's Peace Plan *[OSLOBODJENJE 24-31 Aug]* 21
Commentary: Kosovo Is Bosnia's Bargaining Chip *[Sarajevo Radio]* 22
UN in 'Difficult Position' Over Army Offensive *[AFP]* 23
Croats, Muslims Poised To 'Grab Back' Territory *[London THE DAILY TELEGRAPH 13 Sep]* 24
Army Continues Advance After Vozuca Victory *[Sarajevo Radio]* 24
Commentary: NATO Overlooking 'Collateral Damage' *[TANJUG]* 25
Daily: UN Acquiesced in Fate of Srebrenica Muslims *[Amsterdam DE VOLKSKRANT 12 Sep]* 25
Analysts See Defeat for 'Fanatical' Gen Mladic *[AFP]* 26
Karadzic: Geneva Accord Opens Door to Peace *[TANJUG]* 27
Buha Says West Has No Reason To Attack Serbs *[SRNA]* 28
Buha Warns Bombing Could Halt Peace Process *[TANJUG]* 28
SGV Presents Platform on Peace *[Sarajevo Radio]* 28
Serb Civic Council Member Opposes Ethnic Split *[London INDEPENDENT 13 Sep]* 29
Serb Party Gives Statement Supporting Leadership *[Pale TV]* 29

CROATIA

Tudjman Speech at Zagreb Trade Fair *[Zagreb Radio]* 30
Tudjman Appoints Chief of Military Cabinet *[Zagreb Radio]* 35
Granic Sees U.S. as 'Attractive' Partner *[Zagreb TV]* 35
HSP Urges Military Intervention in Slavonia *[GLAS SLAVONIJE 19 Aug]* 35
Eastern Slavonia Weapons Withdrawal Viewed 39
    Akashi: Withdrawal 'Significant' *[AFP]* 39
    UN Military Spokesman Comments *[AFP]* 39
UN Spokesman on Refugees in Knin UN Barracks *[TANJUG]* 39
Karadzic Remarks on Fall of Bosnian Town *[Editorial Report]* 39
Vukovar Mayor: Slavonia Never Belonged to Serbia *[Belgrade Radio]* 40

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Police Raid Offices of Serbian Party in Skopje *[Belgrade Radio]* 41

POLAND

President Walesa's Address to Nation *[Warsaw Radio]* 42
Ministry 'Disturbed' by Yeltsin's NATO Remarks *[Warsaw TV]* 43
Daily on Consequences of Delaying EU Expansion *[ZYCIE WARSZAWY 12 Sep]* 44

ROMANIA

Gasoline Smuggling Across Border Continues *[ROMANIA LIBERA 4 Sep]* 45
UDMR's Marko Criticizes Education Law *[ROMANIAI MAGYAR SZO 5 Sep]* 45
PDSR Competing With PUNR in Transylvania *[VOCEA ROMANIEI 6 Sep]* 47

YUGOSLAVIA

Federal

U.S. Officials To Reduce Effects of Sanctions *[TANJUG]* 48
Milutinovic Sees 'Huge Breakthrough' in Geneva *[VECERNJE NOVOSTI 9 Sep]* 48
Milutinovic, Koljevic View Geneva Agreement *[Editorial Report]* 49
Serb Refugees To Settle Away From Hungarians *[Budapest Radio]* 51
Humanitarian Situation in Yugoslavia Serious *[TANJUG]* 51
    UNHCR To Double Aid *[TANJUG]* 52
Croatian Statements Reveal 'Contemptible' Regime *[TANJUG]* 52
New Democracy, Governor on Privatization, Reform *[Belgrade TV]* 53

Serbia

Milosevic-Bildt Talks Focus on NATO Actions *[Belgrade Radio]* 54
    Raids Contradict Peace Efforts *[AFP]* 54
Markovic Expected To Return to Belgrade *[NASA BORBA 8 Sep]* 55
Sandzak SDA on Belgrade, Pale Confederal Ties *[Sarajevo Radio]* 55

Kosovo

Rugova, Party Leaders Receive German Officials *[KOSOVA DAILY REPORT]* 55
Serb Police 'Harass' Kacanik Residents *[Editorial Report]* 55

Paper on UN Cover-Up of Srebrenica Massacre

LD1009111395 London THE OBSERVER in English 10 Sep 95 p 19

[Article by John Sweeney; "UN Cover-up of Srebrenica Massacre"]

[FBIS Transcribed Text] United Nations spin-doctors have destroyed film showing shaming scenes of UN troops standing by while Bosnian Serbs organised the massacre of Muslim men in Srebrenica.

The destruction of the film is part of a pattern of events that was designed to ensure that the full story of the massacre of Srebrenica would never be told. The footage contained scenes from the fall of the UN "safe area" two months ago when Bosnian Serb army soldiers are believed to have butchered up to 2,700 Muslim men who had surrendered.

THE OBSERVER has established that three Western governments, including Britain, played down, sat on and destroyed evidence of the massacre. The UN's action has cheated the international war crimes tribunal of evidence vital to bringing the killers to book.

The scenes the powers behind the UN wanted no one to see have come to light, ironically, as a result of film shot by a Serb cameraman who was filming some of the same scenes that UN troops in Srebrenica were known to have captured on video as the town fell: the sequences reveal Serb soldiers wearing looted UN berets and flak jackets and UN soldiers standing around while Nazi-style "selections" take place, ordering "men to the left, women to the right."

The film also reveals a huddle of Muslim men prisoners herded into a remote field, as Serb troops ready their weapons. Then the film goes to black—erased by the Serb cameraman because of his fear of the repercussions should the footage be broadcast.

The Bosnian Serb military leader, General Ratko Mladic, was intimately involved in the "mopping up" operations after the fall of the town but the governments of Britain, the United States and the Netherlands also have much to answer for.

The fall of Srebrenica in July was a political embarrassment for the Western powers because it revealed the 1993 UN Security Council mandate to make the area "safe" as hollow posturing. But it was no surprise to the UN because on 30 May this year the Security Council had quietly accepted a new policy document, written by the Secretary General's envoy to former Yugoslavia, Yasushi Akashi, calling for a withdrawal from the eastern "safe areas" of Srebrenica, Zepa and Gorazde. This 30 May plan has now been implemented, at the cost of the lives of thousands of the Muslims whom the "safe areas" were supposed to protect.

Immediately after the fall of the town the British Ministry of Defence went on the offensive, working to deny and play down evidence of a massacre. As the world saw vivid television footage of women refugees from Srebrenica making the sign of a throat being slit—what they believed had happened to their men—MI6 intelligence officers briefed defence correspondents in London that the Muslim commanders of the town disappeared before it fell.

"The anti-Muslim spin from MI6 is a constant feature. They're always doing it," said one senior UN source in former Yugoslavia. The effect was immediate. THE TIMES ran two stories, one headlined "Muslim troops fail to defend town from Serbs" on 14 July and another "'Missing' enclave troops found" two weeks later—successfully getting across MI6's message and countering the uncorroborated fears of Srebrenica's women.

As the British disinformation campaign got under way, the UN had a clear understanding of what had happened. A confidential UN memorandum to Akashi from a UN civil affairs investigator, Michel Moussali, dated 31 July 1995, has been obtained by THE OBSERVER. The memorandum concludes: "While the number of those killed, beaten, detained and sexually assaulted remains unknown, consistent accounts by displaced persons and UN personnel demonstrate that Bosnian Serb soldiers committed substantial violations of internationally recognised human rights following the fall of Srebrenica, including mass arbitrary detention of civilian men and boys and summary executions."

[FBIS Transcribed Text] It is inconceivable that the Ministry of Defence, which has the second largest force in former Yugoslavia after the French, would not have known about the thrust of the Moussali memorandum. Hard evidence that the massacre had taken place came in mid-August, three weeks after the fall of the enclave, when the Americans released satellite pictures of earthworks and tyre tracks in a field inside the "safe area." Reporters who subsequently went to the spot found body parts sticking out of the earth. But it had taken longer for the Americans to release this evidence than it did for William Russell's dispatches to reach London from the Crimean War by messenger, horse and steam packet. Had the Americans released their images of the mass grave at the time, then it is possible that the international furor might have stayed the Bosnian Serbs' hands from further killing. The Dutch Ministry of Defence knew exactly what had happened after Srebrenica fell. Some 300 Dutch UN

Berisha Assesses Importance of U.S. Visit

AU1209152395 Tirana TVSH Television Network in Albanian 1635 GMT 11 Sep 95

[FBIS Translated Excerpt] President Berisha arrived in the United States last night. At Dulles Airport, in the Washington suburbs, high-ranking officials of the State Department, Chris Hill, former U.S. ambassador to Tirana, William Ryerson, and a number of other officials and representatives of the Albanian-U.S. community were out to welcome him. The Albanian ambassador to the United States, Ljublin Dilja, was also present.

Upon his arrival at the airport, President Berisha made the following statement on the importance and goals of his visit to the United States:

[Begin Berisha recording] I am very happy to be here, and I consider this visit to be a special occasion, an occasion during which I will discuss cooperation, how to expand cooperation between our two countries, and the situation in the region with President Bill Clinton, Secretary of State Warren Christopher, Defense Secretary William Perry, Senator Bob Dole, Congressman Gilman, and many other high-ranking U.S. officials. The United States has been the main supporter of the overthrow of dictatorship and the development of democracy in Albania. I think that there has been substantial progress in all-around relations between the two countries over the past three years. This visit comes as a culmination of this progress and marks a new page in the future relations between our two countries.

One of the most important topics of our discussions with President Clinton and other top U.S. officials will be the problem of Kosova and Albanians in general. [end recording] [passage omitted]

'Fruitful' Talks With Secretary Rubin

AU1209151195 Tirana Radio Tirana Network in Albanian 1330 GMT 12 Sep 95

[FBIS Translated Excerpt] [Passage omitted] President Berisha also held talks with U.S. Secretary of the Treasury Robert Rubin. Enthusiastic about the topics discussed, Berisha called this meeting very fruitful.

[Begin Berisha recording] I held an important meeting with Secretary of the Treasury Rubin, with whom we discussed the possibilities of cooperation and assistance on the part of the U.S. Treasury for our banking, fiscal, and customs system.

The secretary of the treasury assured me that the U.S. Treasury will help in consolidating the Albanian institutions, assist in the banking system, and encourage the U.S. private sector to invest in Albania, as well as cooperating closely with our treasury system to expeditiously set up a stock exchange in Albania. [end recording] [passage omitted]

Press Views First Day in Washington

AU1209123295 Tirana KOHA JONE in Albanian 12 Sep 95 p 3

[Article by Ben Blushi: "Kosova, the First Word Berisha Heard in Washington"]

[FBIS Translated Text] Washington—"Autonomy for Kosova" were the first words Berisha heard in Washington as he embarked on the most important visit of his career, which, despite what might have been predicted in Tirana, did not begin with noise, flags, and a ceremonial welcome, but only a black limousine that carried Berisha to a hotel opposite the White House. It was Zbigniew Brzezinski, former adviser to Democratic President Carter, who first implied that the United States' interest in Albania passes through Kosova. It has been learned that more or less the same topic was discussed at the main meeting of the day with Secretary of State Warren Christopher, a meeting that Richard Holbrooke, assistant secretary for Europe, called wonderful. The meeting seems to have been an easy one, because Holbrooke commented for KOHA JONE that "Berisha totally supported the U.S. initiatives for solving the crisis in the region." Although the press had very little access to the Berisha-Christopher discussions, it has been learned that the participants talked a lot about bilateral relations. According to sources in the presidency, Berisha insisted on protection for Kosova, making a settlement of the crisis conditional on a solution to the Albanian question. Specifically, he asked that the borders of the new Bosnian state be defended by a single joint international army after an agreement is reached among the three parties in the region.. Also according to sources within the presidency, bilateral relations occupied a considerable space in the talks, at which Vrioni, Serreqi, and Suzana Panariti were at Berisha's side, while Holbrooke, Turnoff, Ambassador Lake, and Chris Hill, former U.S. Embassy secretary in Tirana, were together with Christopher. Genc Pollo told KOHA JONE that there was no discussion of any kind of the possibility of using U.S. bases in Albania in the case of an armed conflict in Kosova. It has, nevertheless, been learned that Turnoff, Christopher's assistant secretary, is very interested in maintaining U.S. bases in Albania. Berisha will discuss the details of further opportunities for military cooperation at the Pentagon on Wednesday [13 Sep]. So far, Washington has granted about $200 million to Tirana, although military aid has been highly visible. Talks on U.S. assistance started late last night at about 2400 Albanian time [2200 GMT]. Berisha, Vrioni, and Suzana Panariti were received by U.S. Treasury

Secretary Robert Rubin. "They promised us help to create a banking system in Albania and to establish an Albanian stock exchange," Berisha said after his meeting with Rubin. In the morning, Berisha had addressed the same request to the board of the World Bank, at which the Albanian reforms and the opportunities for future cooperation were considered. "It was a good thing that the seven members of the board were able to meet Berisha," said Kemal Dervish, the board's executive director for Central and East Europe. There is hope that the $200 million that the World Bank has so far offered Albania will be increased after Berisha's campaign. Berisha will today meet representatives of the IMF, the institution that has directed the Albanian reform. Albania is perhaps the only country in East Europe that has unconditionally obeyed IMF policy, an attitude no doubt reflected in the importance that the Albanian delegation has attached to the meetings with the IMF.

Today will, nevertheless, be the most sensitive day, when Berisha will meet, one after another, President Clinton and the possible Republican presidential candidate Bob Dole. There is little possibility that the Clinton-Berisha meeting will either upset or repair anything in Albanian-U.S. relations. The same atmosphere as in the talks with Christopher is expected to prevail today. For Berisha today's meeting is more of an electoral nature, while for Clinton it is more one of protocol. Perhaps the meeting with Senator Dole, who has often spoken out in support of Kosova, will be more fruitful. "Kosova" was the first word Berisha heard in Washington, and will perhaps be the last.

Court Approves New Anticommunist Association

AU1309104995 Tirana TVSH Television Network in Albanian 1800 GMT 12 Sep 95

[FBIS Translated Text] The Tirana District Court today approved the creation of the Anticommunist Association, which is a national, pluralist, humanitarian, political, and social association. Its goal is to protect the rights and freedoms of former political prisoners, the interned, the convicted, and former victims of persecution, as well as the legitimate rights and interests of the association itself.

Ministry Spokesman Reaffirms Position on NATO

AU1209134095 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 12 Sep 95

[FBIS Translated Text] In the last few years Bulgaria has proved that anything related to issues of significant long-range prospects cannot be influenced by other countries, Radko Vlaykov, Foreign Ministry spokesman said today in response to a journalist question in connection with the recent statement of President Yeltsin about the danger of NATO's eastward expansion.

Without committing the government or other state institutions the spokesman referred to the Bulgarian position on NATO, which also was expressed during the recent visit of Russian Foreign Minister Kozyrev to Bulgaria.

I think that Bulgaria's position on this issue will not be influenced by the wishes or statements of any state, Mr. Vlaykov said.

Association Objects to Support of NATO Strikes

AU1209135295 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 12 Sep 95

[FBIS Translated Text] According to Rumen Popov, chairman of the Bulgaria Association, NATO's air strikes in Bosnia are a case of military terrorism and genocide.

At a news conference of the association, General Stoyan Andreev, a member of the leadership, expressed puzzlement with the president's position on this issue and said that the president was actually blessing the murder of innocent citizens, thus presenting Bulgaria in a very bad light.

General Andreev expressed the opinion that placing Bulgaria in the delicate position between Russia and NATO, and what is more, on the side of the aggressor, as he put it, creates a dangerous precedent.

At the same news conference it was announced that this week the All-People's Committee on the Defense of National Interests will sign a preelection agreement with the Sofia organization of the Bulgarian Socialist Party.

SDS Welcomes Geneva Agreement, Reproves Yeltsin

AU1209165995 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 12 Sep 95

[Report by Mariya Tsankova]

[FBIS Translated Text] By tomorrow morning at the latest, the Union of Democratic Forces [SDS] will register its 11 constituent parties at the Central Electoral Commission for participation in the local elections. This emerged from today's meeting of the SDS National Coordinating Council. The SDS leadership strongly supports the election agreements already concluded by the opposition. In locations where no agreements have yet been signed, the SDS will have to register its own mayoral candidates and candidates' lists. An arbitration commission will settle any local problems that arise. So far, there have been about 12 such cases, SDS Chairman Ivan Kostov said.

A statement adopted by the National Coordinating Council welcomes the Geneva agreement as a first step toward settling the Bosnian conflict and praises the special contribution made by the United States and the international contact group. The statement responds to Russian President Yeltsin's statement with these words: It is unrealistic to talk about a new military division of Europe. According to the statement, NATO is the sole guarantor of the continent's security.

Today, the SDS leader accused BSP [Bulgarian Socialist Party] leader Zhan Videnov of cynicism in taking part in the folk festival celebrations in Koprivshtitsa following the deaths of the 14 soldiers [in the 12 August army truck accident in Sofia]. Before the end of this week, the SDS parliamentary group will submit a motion of no confidence in the prime minister. The chief motive for the motion is that Zhan Videnov has failed to punish the two ministers responsible for the tragedy with the 12 military servicemen. The SDS deputies will demand that parliament holds a special session next Monday or Tuesday [18 or 19 September] to debate and vote on the no-confidence motion, so as not to disrupt the National Assembly's legislative work.

Klaus on Relations With Slovakia, CEFTA Meeting

LD1209190695 Prague Radiozurnal Radio Network in Czech 1618 GMT 12 Sep 95

["Regular Tuesday" interview with Czech Prime Minister Vaclav Klaus by correspondent Miroslav Konvalina on 12 September; place not given—recorded]

[FBIS Translated Excerpt] [Konvalina] Prime Minister, the last time we talked to each other on Czech radio was in Brno last night, when you told our listeners about your talks with the Slovak prime minister. Although the results of your talks are already known, I would like to ask you: What impression did Vladimir Meciar make on you? Is he the same Vladimir Meciar with whom you had talks before the division of the federation?

[Klaus] At first glance, I could say he is the same Vladimir Meciar, with all of the characteristics he had before. But this cannot be changed in any way because it would be illogical.

[Konvalina] Do you regard the talks yesterday as a turning point in Czech-Slovak relations?

[Klaus] It would be an exaggeration. It would indeed be an exaggeration to say that it was a turning point. I consider these talks to be extremely important. I have said again that we missed a certain momentum when it would have been easier to hold this meeting. Because it was not possible to stage this meeting for other reasons, we had to find a suitable momentum, and that momentum was found yesterday. In this respect I think it is a certain turning point. I do not think, though, that the customs union with Slovakia should begin functioning better from tomorrow and so on. But, as regards communications, it will certainly be the case.

[Konvalina] The Bojnice altar is a problem in Czech-Slovak relations that could be described as a marginal problem or as a problem of lesser importance. Despite this, this issue is being much discussed in Slovakia in particular. What should be done about it?

[Klaus] [Passage omitted] I can understand the feelings in Slovakia. I can understand that it is in particular the church circles that would like this altar, the altar that undoubtedly comes from Bojnice near Prievidza, to be returned. A certain solution has been found. The solution is that the altar be exchanged for 10 valuable paintings owned by the Slovak National Gallery.

I think, without attempting to act as an expert in old paintings now, that this will be more or less a fair exchange. If, thanks to this exchange, this problem goes away and ceases to exist, it will undoubtedly be a good result.

[Konvalina] General optimism prevailed in Brno yesterday regarding the hitherto achievements of the Central European Free Trade Association [CEFTA]. Prime ministers said they were happy with the development of mutual trade, even though it is still comparatively small among CEFTA countries. They advocated CEFTA enlargement and a further liberalization in the sphere of trade, services, capital flow, and so on. Are there not any risks in the process of enlarging and deepening CEFTA?

[Klaus] I really cannot see any risks there because the aim is to create (?an organization) that will be beneficial to citizens and consumers in these countries. The bigger the market, the better it will be. It is clear, however, that not every producer in this or that country welcomes the deepening of the liberalization moves. Naturally, for him it was easier to have his own relatively small, yet well secured, market. [passage omitted]

That is why in CEFTA, as a free trade organization, there is a clash between general trends toward liberalization and the pressure coming from various groups of producers who do not want to do away with customs duties on beer, automobiles, sugar, and other commodities. Naturally, this problem and this clash exist, and I have no doubts that the relatively clear statements voiced in Brno yesterday will be subjected to criticism in CEFTA countries. [passage omitted]

Poll: Havel Continues To Enjoy Most Confidence

AU1309094095 Prague DENNI TELEGRAF in Czech 5 Sep 95 p 1

[Report by "(mim)": "Most Citizens Continue To Trust the President"]

[FBIS Translated Text] Prague—Although 5 percent fewer respondents than in the previous survey expressed confidence in the president, 73 percent of the citizens of the Czech Republic continue to trust him.

This is apparent from a September poll conducted by the Institute for Public Opinion Research (IVVM) involving 899 people over age 15. Citizens of Prague (80 percent), young people, respondents with a university education (79 percent in both cases), and citizens with a good standard of living (84 percent) have most confidence in the president. The poll also registered a gradual ebb in citizens' trust in parliament (from 26 percent to 24 percent) and the government (from 52 percent to 50 percent), which was already discernible during the previous month.

However, because the range of random statistical error in the groups monitored is 3.0 percent, according to IVVM, these deviations fall completely within it. The government has maintained a high level of confidence among citizens with a good standard of living (63 percent). It also enjoys confidence among the highly qualified (62 percent), the university educated (68 percent), white-collar workers (60 percent), and respondents and people occupying managerial positions (67 percent). Respondents under age 19 expressed the highest level of confidence in the government (84 percent).

Dismissed Investigator in Kovac Case Interviewed

AU1209151395 Bratislava PRAVDA in Slovak
11 Sep 95 pp 1-2

[Interview with Major Jaroslav Simunic, dismissed chief investigator of the kidnapping of Michal Kovac Jr., by Juraj Handzo on 10 September; place not given: "The File Is My Free Life Insurance Policy"]

[FBIS Translated Excerpt] The course of investigations into the kidnapping of Michal Kovac Jr. is almost just as remarkable as the kidnapping itself. Yesterday we talked with investigator Major Jaroslav Simunic, who handed over the file on Friday, 8 September, and asked to have his contract of employment terminated, about some facts related to this case.

[Handzo] As is known, you asked Ivan Gasparovic, chairman of the National Council of the Slovak Republic [NRSR], to relieve Slovak Information Service [SIS] Director Ivan Lexa and his predecessor Vladimir Mitro of their vow of silence. Igor Urban, chairman of the NRSR Special Supervisory Body [for the SIS], cast doubt on the correctness of your course of action and suggested that you seek out a psychiatrist. Some other statements in the media, too, have cast doubt on you....

[Simunic] [Passage omitted] Naturally, I do and did know that Ivan Gasparovic does not have the power to relieve the SIS director of his vow of silence. I do and did know to whom to address my request according to the law. I did not opt for this course of action because one of the versions underlying my investigations was that behind the abduction of Michal Kovac Jr. abroad was precisely the person who would decide whether to approve the request.

[Handzo] How are citizens to understand your activities in the course of last week, particularly your frequent press interviews?

[Simunic] Originally, I did not want to speak out in public, but the version according to which the act was committed by intelligence services explains the way in which it was committed. I had several versions as investigator, but this one appeared to be very logical. Several indications suggested that the operation was carried out according to manuals used in various intelligence schools. My initial information kept being confirmed. I decided to speak to the press only after, in accordance with the above manuals, television started a disinformation campaign. I first appeared on TV NOVA [Czech private television channel] after hearing on Slovak Television a piece of disinformation from "unnamed police sources." For me this was a signal that the intelligence game in this case continues.

[Handzo] On what did you base the aforementioned version, according to which the person authorized by law to mediate matters connected with your request is implicated in this case?

[Simunic] I did not know who is behind this case, and I do not know it to this day. However, I watched the "Press Club" [weekly panel discussion with the prime minister] on 5 September, from which I learned things that are not to be found in the documents related to the case. Even an ordinary citizen must draw from this the logical conclusion that, if someone knows information that the police do not have, he either participated in the crime himself or received the information from the perpetrators. There is no other explanation. If someone has any doubts about me, he just has to compare my file with the transcript of the "Press Club."

[Handzo] Talking about the file, in one interview for the mass media you said that you had a copy of the file made, while, in another interview, you claimed the opposite. Where is the truth?

[Simunic] I can say only this much about the file: It is my free life insurance policy. Everyone should understand that I have nothing to add to this.

[Bratislava SME in Slovak on 11 September on page 2 carries a 500-word report by "pt" on an interview with Maj. Simunic, entitled "According to One of J. Simunic's Versions, Person Authorized To Relieve the SIS Chief of His Vow of Silence Was Behind the Kidnapping." The report, which is similar to the above PRAVDA interview, contains the following passage: "Jaroslav Simunic yesterday visited Slovak President Michal Kovac, who inquired whether he or his family had any problems in connection with the case of the president's son. He added that great psychological pressure was being brought to bear upon the president's wife, as well as on his wife (Mrs. Simunicova)."

Meciar Abstains From Alcohol for 'Health' Reasons

AU1309115395

[FBIS Editorial Report] Bratislava NARODNA OBRODA in Slovak on 12 September on pages 1 and 6 carries a 1,200-word report by CTK, TASR, and NARODNA OBRODA correspondents on the one-day meeting of CEFTA (Central European Free Trade Association) prime ministers held in Brno in the Czech Republic on 11 September. The report, published under the headline "Prime Ministers Advocated Further Trade Liberalization and CEFTA Expansion," mentions that, after signing the joint declaration, the prime ministers "toasted one another. Slovak Prime Minister Vladimir Meciar was the only one to refuse to drink on this occasion, supposedly for reasons of health."

Ministry Voices 'Regret' at French Nuclear Tests

AU1209121495 Bratislava SLOVENSKA REPUBLIKA in Slovak 9 Sep 95 p 2

[TASR report: "The Foreign Ministry on the Continuation of the Nuclear Tests"]

[FBIS Translated Text] Bratislava—The Slovak Republic voices its regret at the continuation of the nuclear tests. It is one of the states that expresses itself unequivocally in favor of their discontinuation. We consider adherence to the moratorium on nuclear tests to be an important element of the drafting of the General Nuclear Test Ban Treaty at the disarmament conference in Geneva. This view is conveyed in a Foreign Ministry statement issued yesterday by its spokesman, Juraj Matejovsky. The Foreign Ministry also emphasizes that the Slovak Republic endorses the use of nuclear power for exclusively peaceful purposes. In this context, it supports all of the initiatives for the nonproliferation of nuclear weapons and expresses itself in favor of complete nuclear disarmament. In the statement, the Slovak Republic voices its hope that all tests will be discontinued by fall 1996, when the General Nuclear Test Ban Treaty should be signed.

Daily: Nation Drifting Toward Russian Influence

AU1209124595 Bratislava SME in Slovak 9 Sep 95 p 4

[Commentary by Ondrej Dostal: "Everyone Knows It About Us Anyway"]

[FBIS Translated Text] It seems that Slovakia's drifting into the sphere of influence of the Russian Federation is slowly becoming the accepted view of world public opinion. From time to time, the domestic opposition or the domestic and foreign (Western) press warn that this poses a threat to the further development of Slovakia. Yet the government coalition usually dismisses such warnings and pretends to have unwavering faith in its own declarations about its pro-Western orientation and quest for EU and NATO membership.

However, this time a similar view has come from the East. In an extensive article in the daily MOSKOVSKAYA PRAVDA, Andranik Migranyan, Russian political scientist and member of the Presidential Council, characterizes Slovakia as one of the few friends of Russia in the world. He writes about Slovakia's extraordinary interest in strengthening economic, military-political, and cultural relations with Russia. According to the article, Prime Minister Meciar is seeking to build some kind of bridge of mutual cooperation between the East and the West and is running up against the bayonets of the Slovak opposition and Western partners, who dislike the endeavor of the present Slovak leadership to maintain and expand relations with Russia.

Surely, there would be nothing wrong with the interest in expanding relations with Russia, if it did not go hand in hand with the questioning of Slovakia's overall pro-Western orientation. But it does. Who knows whether official Slovak representatives will react as sharply to MOSKOVSKAYA PRAVDA as they do to articles in Western newspapers or to statements by opposition politicians on a similar issue? It is evident, however, that present-day Slovak representatives' repertory of sharp reactions is reserved only for Western media. When Russian Prime Minister Viktor Chernomyrdin repeatedly asked [during his visit to Bratislava] why the East European states are in such a hurry to join NATO, his Slovak counterpart, Vladimir Meciar, was quiet as a mouse. Slovakia reacted very unobtrusively to the Russian acts of violence in Chechnya and the Serb acts of violence in Bosnia. And it has been silent since NATO started its air raids on Bosnian Serbs. Frantisek Sebej, a member of the Permanent Conference of the Civic Institute [SKOI], sees in the absence of a Slovak statement in support of the NATO actions a wasted opportunity to confirm our interest in NATO membership. But, on the other hand, no statement at all is possibly better than an official endorsement of the Russian position. Silence is sometimes golden. After all, everyone knows IT [preceding word printed in capital letters] about us anyway. Even in Moscow.

HZDS Criticizes Czech Minister's Statement

LD1109231295 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 11 Sep 95

[FBIS Translated Text] The political executive of the Movement for a Democratic Slovakia [HZDS] noted in Bratislava today that the National Council had again confirmed, by virtue of its voting, that the reservations of President Michal Kovac about three economic laws were unfounded and that they unnecessarily delayed the legislative process.

The political executive highly praised the government's decision to abolish import surcharges for passenger cars with cylinder capacity of up to 1,500 cc, which will make it possible for citizens to buy cars for more acceptable prices than up to now.

The political executive condemned the address by Czech Interior Minister Jan Ruml, who told lies about the internal political development in Slovakia, which is considered by the HZDS as interference in the affairs of the sovereign and independent Slovak Republic.

Duray Describes Language Law as 'Atrocity'

AU1209145995 Budapest MAGYAR HIRLAP in Hungarian 9 Sep 95 p 8

[Interview with Miklos Duray, chairman of the Coexistence Movement in Slovakia, by Dezso Pinter; place and date not given: "I Do Not Hide the Facts"]

[FBIS Translated Excerpt] [Passage omitted] [Pinter] In connection with the language law and alternative education, you have of late repeatedly accused the Slovak Government of cultural fascism. For example, at the demonstration organized in the Great Church in Debrecen [eastern Hungary], you said the following: "If there is any atrocity in addition to the Nazi death camps, we can regard as such the planned and implemented dismembering of the ethnic Hungarians and the annihilation of the dismembered parts." Do such formulations hinder cooperation in Slovakia?

[Duray] First of all, let us clarify that in Debrecen I wanted to draw attention to the systematic annihilation of the ethnic Hungarians. Between the two world wars, they tried to disorient the ethnic Hungarians in both their awareness and their property rights in Czechoslovakia. The means of carrying this out became even more brutal after 1945, when the ethnic Hungarians were totally dispossessed, evicted from their homeland, and sent into forced labor and concentration camps, and the use of the Hungarian language was banned and punished. Later, the domestic political atmosphere changed, but this system remained, always according to the prevailing situation. Obviously, when I speak in the way in which you also mentioned, this hinders the so-called dialogue. However, the obstacles are caused not by my statements but by the bitter fact that the basis for such formulations continues to be found in Slovakia. There would be no obstacles hindering dialogue if the anti-Hungarian factors ceased to exist or were banned by legal and political guarantees. For the time being, however, the situation is completely different, as the language law shows it.

[Pinter] Is there any acceptable solution?

[Duray] It is impossible to legislate an honest law from the draft submitted recently. This must be rejected as it is. It would be worth dealing with the language law passed by the Slovak National Council in October 1990 because it could be improved upon. However, there is nothing to improve upon with the draft submitted recently because it is based on the concept of excluding every language except Slovak from public use. This draft would also forbid public servants from using their mother tongues in the corridors of their working places.

[Pinter] So you do not see any hope today.

[Duray] I do see hope. If Bratislava ratifies the Slovak-Hungarian basic treaty, the directions of the language law could be different. If the Slovak Government signs the European Charter of Minority Languages, we might be able to get closer to the accepted regulation of bilingualism. [passage omitted]

[Pinter] To what extent does the treatment of minority issues divide the parliamentary opposition in Slovakia?

[Duray] Slovak politics, including the opposition, generally expresses this fault line in evaluating privatization and, specifically, relations toward the ethnic Hungarians. It is a fact that, in taking a stand against the government's methods, the opposition does not argue about the government practice against the ethnic Hungarians. For example, in principle, the Slovak opposition cannot support the language law, but it nevertheless agrees that a language law is necessary, one that puts the Slovak language in a special situation. [passage omitted]

[Pinter] Could a change take place in the Slovak domestic policy that would also be reflected in the treatment of the ethnic Hungarian minority?

[Duray] There are cases in which this cannot be excluded. When Meciar's second Cabinet fell in the spring of 1994, the prevailing Hungarian coalition closely cooperated with the new Cabinet. Ideas that harmed the interests of the ethnic Hungarians did not make it into the government program. [passage omitted]

[Pinter] In your view, how convincing are the Hungarian Government's steps in connection with the ethnic Hungarians beyond the borders?

[Duray] I would rather speak about the years following the change in the regime than about the present government. In this respect, there is indeed no difference between the published programs of the Antall Cabinet and the Horn Cabinet.

[Pinter] This conclusion is all the more interesting because, at the beginning of last year, you said it would be a national tragedy if leftist forces came to power in Hungary.

[Duray] I only said this in connection with a single socialist candidate. I drew the attention to the fact that it would be a big problem if his ideas were also represented in government. However, the government program calmed us down. The basic treaty can bring about a new situation in bilateral relations. Albeit in a hidden way, the basic treaty contains the possibility for the Hungarian parliament to accept some tasks in the defense of the Hungarians living beyond the borders. [passage omitted]

[Pinter] With what political parties in Hungary does Coexistence have the strongest contacts?

[Duray] On the basis of certain traditions and ideological closeness, we have close contacts with the Federation of Young Democrats, the Hungarian Democratic Forum, and the Christian Democratic People's Party [KDNP]. We also have very good individual contacts with politicians of the Hungarian Socialist Party [MSZP] and the Alliance of Free Democrats [SZDSZ], but we do not have official relations with the MSZP or the SZDSZ. Perhaps, we will soon have contacts with the MSZP. [passage omitted]

Orthodox, Greek Catholic Churches Sign Agreement

AU1109151895 Bratislava SME in Slovak 7 Sep 95 p 2

[CTK/TASR report: "The Prime Minister Has Signed an Agreement Between the Churches and Started To Build a Romany Village"]

[FBIS Translated Excerpt] Presov/Nalepkovo—A framework agreement on settling property and usage relations between the Greek Catholic and Orthodox Churches and the Slovak Government was signed in Presov yesterday. The agreement concerns the return of six churches and 13 parish buildings used by the Orthodox Church to their original owner—the Greek Catholic Bishopric in Presov. The agreement also includes government compensation; of this, 12.2 million korunas [Sk] is intended for the Greek Catholic Church and almost Sk9.0 million for the Orthodox Church. The agreement was signed by Archbishop Nikolaj of the Presov Orthodox Eparchy, the resident bishop of the Greek Catholic Church in Presov, J. Hirka, and Prime Minister V. Meciar on behalf of the government. According to the director of the Orthodox Church's bishopric, I. Balejkanica, in the past five years, it has returned 72 churches and seven parish buildings to the Greek Catholic Church. [passage omitted]

Defense Minister Submits Bill on Civilian Service

AU1209120395 Bratislava SLOVENSKA REPUBLIKA in Slovak 9 Sep 95 pp 1-2

[Article by Dobroslava Krajacicova and Miroslav Sasky: "Prime Minister Vladimir Meciar Informed Parliament About the Contents of His Talks With Gyula Horn"]

[FBIS Translated Excerpt] Bratislava—[Passage omitted] Defense Minister Jan Sitek submitted to yesterday's meeting of parliament the government-sponsored draft law on civilian service. He said that, in view of the wording of the relevant article of the Slovak Constitution, no one can be forced to perform military service if it runs counter to his conscience or religious belief. The main aim of the draft is to define the performance of civilian service more accurately and to harmonize it with the rights of those who enter into military service. It should also prevent speculation and misuse of the right [to perform alternative service] at the expense of the defense capability of the state. On the basis of the draft, the duration of civilian service for conscripts is double the basic military service. The employer provides the citizen performing civilian service with room and board, clothing, and service pay [sluzne], within limits set for soldiers performing military service. In the debate on this draft law, Deputy Kamil Hatapka (Slovak National Party) pointed out that similar laws exist in a number of countries. He said that, in France, civilian service lasts twice as long as military service, and in Belgium it is three months longer. [passage omitted] Ivan Simko (Christian Democratic Movement) and Pavol Kanis (Party of the Democratic Left) put forward proposals for changes, which, however, changed the entire philosophy of the law. Minister Jan Sitek disagreed with those assigned to perform civilian service enjoying better conditions than citizens fulfilling their duty anchored also in the Constitution of the Slovak Republic. He said that subordinating the performance of civilian service to military administrations will be more effective than retaining it within the jurisdiction of the Ministry of Labor, Social Affairs, and the Family. At the close of the debate, Jan Danko (Movement for a Democratic Slovakia-Slovak Farmers Party), the joint rapporteur for parliamentary committees, announced that he had received 43 modifying proposals to the draft. On the basis of this fact and a proposal of the Movement for a Democratic Slovakia and Slovak National Party parliamentary clubs, it was decided to postpone the vote on the draft law on civilian service until Tuesday, 12 September.

The deputies then approved, without debate, the Treaty Between NATO States and Other States Participating in Partnership for Peace. Deputy Prime Minister and Finance Minister Sergej Kozlik then delivered an explanatory statement on the draft law that changes the building and water management laws. The draft law addresses, among other things, the expropriation of lots containing buildings that are in state or community ownership. Compensation for expropriated lots in the capital city for Bratislava is to be 20 korunas per square meter. The law is to go into effect on 1 October 1995. The vote on this point on the agenda was postponed until Tuesday, 12 September. National Council of the Slovak Republic Deputy Chairman Augustin Marian Huska adjourned the parliament meeting until then.

General Staff Chief Maintains Army 'Impartial'

AU1209204395 Bratislava PRAVDA in Slovak 6 Sep 95 pp 1, 4

[Interview with Lieutenant General Jozef Tuchyna, chief of the Slovak Army General Staff, by Pavol Vitko; place and date not given: "It Subordinates Itself Fastidiously to State Policy"]

[FBIS Translated Text] The former Slovak Army Command was transformed into the Slovak Army General Staff (GS) on 1 September 1994. Lieutenant General Jozef Tuchyna was appointed its chief. We asked him which of the main objectives he has managed to fulfill during this period and which tasks he considers to be incomplete.

[Tuchyna] The Slovak Army has tasks laid down by the law on the Army, and, on the basis of it, we have managed to reorganize the former Slovak Army Command into the General Staff. We have created Army corps commands. We have managed to create a structure for the Air Force and Air Defense. The reorganization of the ground forces is under way at present. Our officers' participation in international exercises in Poland, the Netherlands, and the United States has been very successful. The "TRIMIGRANT" exercise, of which we were the main organizers, was successful. The Army has also fulfilled other tasks that presented it to the public. I can mention, for example, the military parade and the international air show held to mark the 50th anniversary of the end of World War II. Army officers were also actively involved during Pope John Paul II's visit to Slovakia. We have completed the destruction of weapons from declared locations in accordance with the Vienna document. It would be possible to enumerate even more activities that we have undertaken during the first year of the General Staff's existence. I consider the most significant success to be reducing the crime rate within the Army compared with the previous year. I consider the endeavor to issue a new Slovak Army Code of Service, which, however, depends on the passage of several laws, to be incomplete. It is necessary to complete the construction of the rapid deployment brigades and units so that we can completely fulfill the undertaking we signed in Vienna.

[Vitko] Your appointment as GS chief was quite surprising at the time inasmuch as the president appointed you under the Jozef Moravcik government. At the same time, you had previously been interior minister in the second government of Vladimir Meciar, who had again become prime minister. In essence, this did not affect your position or the General Staff structures. Is this due to the respect the Army commands among all parties on the political spectrum, or have the political parties recognized that the Army must be impartial and, so, must not be dragged into their disputes?

[Tuchyna] This is a question not for me but for the appropriate politicians to answer. I personally was—and am—interested in strengthening our Republic's statehood, and the Army is part of strengthening this statehood precisely in accordance with the law on the Slovak Army. Therefore, the Army must remain impartial, and it has. It must subordinate itself fastidiously to state policy. You will search in vain for a political issue in these decisions, however.

[Vitko] From your position, how do you view the recent change in the law so that the GS chief is no longer appointed and dismissed by the president, but by the government?

[Tuchyna] Ask the authors of this law. The law has been approved in the National Council of the Slovak Republic and, because we maintain that we live in a law-governed state, we have to respect and obey this law. I personally am a disciplined citizen in a military uniform.

[Vitko] General, let me ask you about a serious issue with the help of an old joke. Once upon a time, a farmer wanted to teach his horse to give up eating. At first, he was pleased that the horse was getting on very well with this, but a week later it died. The farmer said this was a pity because, if the horse had hung on for another two days, it would have learned to give up its food completely. Do you not feel that the Army is finding itself in the position of the horse in this joke, in that it is now likely that the Defense Ministry's budget for next year will obviously not exceed this year's 12.9 billion korunas [Sk]? At the same time, the soldiers have only been able to feed and clothe themselves and, to a certain extent, train from this budget. According to information from the Defense Ministry, however, the Army would need Sk20 billion alone just to maintain its combat hardware and purchase munitions...

[Tuchyna] Yes, the Army needs a far greater sum for its needs and to fulfill certain tasks. We will inform those functionaries preparing the budget how much we need to fulfill our tasks. We are also aware, however, that it is impossible to distribute more than the state budget's potential. We believe that those who decide on the size of the budget to be allocated to the Slovak Army for next year will be cognizant of its situation and will take into consideration all of its needs. Therefore, at the moment, it is premature to discuss this.

[Vitko] Slovakia has set itself the task of establishing a small but well equipped and trained Army that should gradually be professionalized. Despite this, our air defense, for example, reflects the level of development of, I imagine, 20 years ago. In view of the current politico-military conditions in the Central European region, do you consider this situation to be adequate?

[Tuchyna] I think it is because our neighbors are in roughly the same situation.

[Vitko] What significance do you attach to the "Rozhodnost '95" exercise, which begins this week?

[Tuchyna] The Slovak Republic has signed the binding Partnership for Peace document and is interested in the successful accomplishment of what it has committed itself to. "Rozhodnost '95" is an illustration of active cooperation and understanding among neighbors in training for peacekeeping operations and in harmonizing the activity of the participating countries' units within the framework of resolving complicated situations in a demilitarized zone. I personally enjoy very good relations with neighboring chiefs of staff. Mutual confidence in their neighbors is the major stratagem for the citizens' safety in their own state. We are helping to boost this confidence. "Rozhodnost '95," as well as other activities carried out by our Army's officers, is a manifestation of this.

Article on Credit Offers for Mochovce's Completion

AU1209165195 Bratislava PRAVDA in Slovak 7 Sep 95 p 3

[Article by Martin Benko: "Financing Mochovce Probably Without the EBRD and the EdF"]

[FBIS Translated Text] Bratislava—The Russian Federation, the Ceska sporitelna [Czech Savings Bank], and the Prague-based Komercni banka [Commercial Bank] have put forward the only acceptable conditions for the provision and application of the credit to finance the completion of the first and second blocks of the Mochovce nuclear power plant. This statement is made in the draft project Government Commissioner Marian Sip and Economy Minister Jan Ducky submitted to the 5 September government session.

The government approved it and empowered the economy minister to agree with Russia on the conditions for the government credit of $80 million and to sign the agreement. It set the commissioner and the economy minister, in cooperation with the National Bank of Slovakia, the task of drafting a financial model on the basis of the submitted credit agreements from the recommended creditors and, subsequently, of drawing up a request to provide state guarantees for the credits.

Of the promised credit of $80 million, Russia is to provide $50 million in convertible currency and $30 million for special supplies and services. Russia's demand that Slovakia commit itself to accepting Russian nuclear fuel throughout the operation period of the nuclear power plants in Slovakia without specifying the agreement conditions is problematic. Russia has also requested that the foreign-currency expenses for official visits by Russian experts, estimated at $0.5 to $1.0 million, be financed. The delivery of nuclear fuel from Russia worth $70 million should be another of its contributions, not as an investment in the Mochovce Nuclear Power Plant shareholding company [a.s.] but as a business credit. The Ceska sporitelna has offered credit of 200 million German marks [DM], with a repayment period of 10 years deferred for three years; however, it is asking for a government guarantee. The Komercni banka is to provide $200 million, with a repayment period of 12.5 years and a guarantee from the government and leading Slovak banks.

The second category of creditors, whose participation in financing the project is possible with conditions, involves two firms. Three billion korunas [Sk] should be utilized from the IRB-Consortium to complete Mochovce, but only after the debts of the investor, Slovenske elektrarne [SE] a.s., have been cleared. SE's overall commitments for the Mochovce nuclear power plant represent Sk14.86 billion. The 3E Engineering group, the 3T Group, and VCT have offered credit of $1.2 billion, with a repayment period of 15 years. The proposal for financing the project, however, only reckons with a limited amount of credit from this group (up to $400 million).

The third category includes creditors who should not be involved directly in financing the completion of the power plant. The aforementioned Russian credit in the form of supplying nuclear fuel is in this category. An offer from the Nomura International company to issue bonds up to the amount of $1.0 billion for SE development projects may be used to clear SE debts. Credits from EUCOM, DM150 million, and Electricite de France (EdF), DM50 million, should be used only to cover special technological supplies.

The fourth category involves the European Bank for Reconstruction and Development (EBRD) and Euratom [European Atomic Energy Community], which have offered unacceptable conditions for providing credit.

Concern About Nearness of Yugoslav Conflict

LD1209185395 Belgrade TANJUG in English
1726 GMT 12 Sep 95

[FBIS Transcribed Text] Budapest, Sept. 12 (TANJUG)—Hungarian Foreign Minister Laszlo Kovacs said Tuesday [12 September] his country had stepped up control of its southern border, so that Croatian troops would not attack eastern Slavonia and Baranja from the rear, through Hungarian territory.

Eastern Slavonia and Baranja are parts of the Republic of Serb Krajina proclaimed in 1991 by Serbs in Croatia.

Budapest follows with great attention how the crisis in the former Yugoslavia is moving closer to the borders of Hungary, Kovacs, who is chairman of the Organization for Security and Cooperation in Europe, told a news conference. For Hungary's security it is not the same whether fighting goes on around Sarajevo and Gorazde or in eastern Slavonia and Baranja (sector east of the U.N.-protected Republic of Serb Krajina on the border with Hungary), Kovacs said.

Kovacs said that the Hungarian Government was welcoming the U.S. latest initiative and an accord reached in Geneva. The Geneva accord about the principles to resolve the crisis in the territory of former Yugoslavia was reached by the foreign ministers of Yugoslavia, Croatia and the Muslim government in Sarajevo.

Hungary has not completely renounced Prime Minister Gyula Horn's initiative that a conference on the former Yugoslavia be held in Budapest, Kovacs said. He added that for the time being there are no prospects of it taking place.

'Activity May Drift Across Border'

AU1209140595 Budapest MAGYAR NEMZET in Hungarian 12 Sep 95 p 4

[Article by Havasi: "It Is Possible That Military Actions Will Drift to Hungary, Osijek Mayor Believes"]

[FBIS Translated Text] The patience of the Croatians will only last to the end of the autumn or the beginning of the winter at most before the occupying Serbian troops have to leave Eastern Slavonia, Osijek [Croatia] Mayor Zlatko Kamaric said in Pecs [southern Hungary] on 11 September. He held talks with his Hungarian colleague Zsolt Pava on the possibilities of further improving relations between the two sister towns.

As was said at their joint press conference, in spite of four years of warlike tension, they managed to implement important points of the former work plans. Cooperation mainly remained undamaged in the areas of culture and public security. The same cannot be said about economic relations, which have been rather shattered by the war and the constant threat.

According to the surprisingly young Osijek mayor, the establishment of peace is a precondition for all further links. He thought that the key to the situation is now in the hands of the western powers, whether they can convince Belgrade and Pale that the dream of Greater Serbia has completely vanished.

So Kamaric sees the threshold between autumn and winter as a border line for a peaceful or military settlement. He said that the Osijek-Baranja leadership now considers as its main task to convince the Serbian population living in the occupied territory. Based on the Knin example, they have to be made to understand that they cannot rely either on Milosevic or on their own leaders. In reply to our question whether the Croatians will guarantee their safety and their national minority rights, the mayor replied with a laconic yes.

Kamaric replied rather diplomatically to a question on Croatian reactions to the strengthening of the Hungarian border, but the journalists could decipher even from this packaging that the Croatian side does not consider it impossible that military actions will drift over to Hungarian territory. "However, the worst case, which you are thinking of, can only last a very short time," he hastened to add.

As for the development of bilateral relations, Kamaric considered it important to set up a Hungarian consulate in Osijek, especially since a Croatian consulate has been operating in Pecs for years. He also revealed that, to coordinate the cultural activities of the Hungarians living in Croatia, they would like to set up a cultural center in Osijek.

Economic Cooperation Discussed With Yugoslavs

LD1209232195 Belgrade TANJUG in English
2243 GMT 12 Sep 95

[FBIS Transcribed Text] Budapest, Sept 12 (TANJUG)—Yugoslav and Hungarian officials discussed in Budapest on Tuesday [12 September] bilateral cooperation and the possibility of promoting economic relations after the lifting of anti-Yugoslav sanctions.

The talks were held between Yugoslav Assistant Minister of Trade Filip Turcinovic and Hungarian Deputy Secretary of State at the Ministry of Trade and Industry Lajos Berenyi.

Direct contacts between firms on either side of the common border, which formed the backbone of cooperation between the neighbours, should be resumed, it was stressed during the meeting.

KDNP Chairman: Replacement of Government 'Vital'

AU1209140895 Budapest UJ MAGYARORSZAG in Hungarian 11 Sep 95 pp 1, 5

[MTI report: "Gyorgy Giczy: The Government Should Be Replaced"]

[FBIS Translated Text] In the current situation, the Christian Democratic People's Party [KDNP] is using all its power to create some kind of an opposition cooperation, because replacing this government is a vital condition for us, KDNP Chairman Gyorgy Giczy told a meeting of the Heves County KDNP organization in Eger on 9 September. He added that he warns everyone not to approach any political factor hastily. First, they should clarify the forms of cooperation, because the concept of Civic Alliance was born before clarifying its content.

Gyorgy Giczy pointed out that, in the present Hungarian society struggling with the consequences of the change in the regime, market economy conditions cannot be applied without welfare activity. Therefore, Hungary needs a social market economy, namely a KDNP program, which avoids shock therapy. However, it is impossible to implement such a program with this finance minister and with such a government structure.

Gyorgy Giczy also said that, in his view, a perfect and constant manipulation is currently under way in Hungary. People have to find their way among false data and bad information, because they do not receive the most elementary information from the press and the government.

As an example, Gyorgy Giczy mentioned that, while, according to a survey of the Swiss International Management Development Institute, Hungary occupies the 46th place regarding competitiveness among the 48 countries in the survey, that is, only ahead of Venezuela and Russia, the Hungarian prime minister keeps saying that we have embarked on the road to development and the stabilization package is successful.

At the news conference following the debate forum, Giczy declared, among other things, that, in his view, one can see an SZDSZ surplus in every area of government. At the same time, the coalition agreement contradicts the Constitution regarding the authority of the prime minister. Answering a question, Gyorgy Giczy denied the press rumors that the KDNP wants to replace the SZDSZ in the government coalition.

Izetbegovic: Serb 'Backbone' Broken in Vozuca

LD1309114795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 12 Sep 95

[FBIS Translated Excerpt] The president of the Presidency of the Republic of Bosnia-Herzegovina visited Vozuca today to deliver congratulations to soldiers of the 1st and 2d Corps of the Bosnia-Herzegovina Army. Mirza Sulejmanovic has filed the following report:

[Sulejmanovic] The president began by reviewing units of the 3d Corps which took part in the operation [to capture Vozuca].

[Begin Izetbegovic recording] I will be brief. You broke the backbone of the Chetnik enemy in Vozuca. You have shown us the way to continue, giving us an ornek [Turkish word for model], a model showing us how to keep on breaking that backbone in order to liberate our homeland Bosnia-Herzegovina. [Soldiers heard chanting: "Allahu Akbar!"]

Soldiers, I thank you for this on behalf of our people, who will not forget what you have done for the nation and the state. [end recording]

[Sulejmanovic] President Izetbegovic later reviewed joint units of the 2d and 3d Corps in the very center of Vozuca. The commanders of both corps informed the president about the course of the operation in which our boys captured large quantities of arms and weapons and put about 500 Chetniks out of action [passage omitted]

Izetbegovic Aide on Geneva Framework

BR1209145395 Brussels LE SOIR in French 12 Sep 95 p 5

[Interview with Kemal Muftic, "close adviser" to Bosnian President Izetbegovic, by Philippe Deprez in Bosnia; date not given: "The Bosnian Serbs"]

[FBIS Translated Text] *Kemal Muftic is a close adviser to President Alija Izetbegovic. In his office of the Bosnian presidency he replies in French to our questions on the framework agreement signed in Geneva last Friday [8 September] between the three parties involved in the conflict, namely the Serbs, Croats, and Bosnians.*

A subtle change: A week ago Kemal Muftic virtually jumped up out of his chair at the least allusion to the "Republika Srbska," the self-proclaimed Bosnian Serb republic, headed by Radovan Karadzic and General Ratko Mladic. Today, he grips its arms and speaks of the "Serbian entity."

[Deprez] The Geneva framework agreement mentions the "Republika Srbska" entity. Was it indeed the Bosnian foreign minister who put his signature to this preliminary agreement?

[Muftic] We have always said that we would not agree to recognizing this state. In this framework agreement we have done so, in the sense that we have reaffirmed our support for the peace plan drawn up by the Contact Group which divides Bosnia into two units. Having said this, the first point of the basic principles of the Geneva agreement is clear: Bosnia-Herzegovina will continue to legally exist within its present borders and will continue to be internationally recognized. The name "Republika Srbska" to designate the Serbian entity is ill chosen. The Serbs will have their local government but the legal authority over the Bosnian state is and will remain here in Sarajevo.

[Deprez] What degree of autonomy would the Bosnian Government be prepared to grant to the Bosnian Serbs?

[Muftic] A great deal but not independence. Cultural autonomy. An important point: They must respect international law. I am thinking here, among other things, about war crimes and the UN court in The Hague. Karadzic, Mladic and the others must be arrested. And then, the Bosnian Serbs must pull back from about 15 percent of the land they occupy at this time and pull out of 12 towns. All this remains to be done....

A Burden for Belgrade

[Deprez] Do you believe Karadzic is ready to accept this plan for a 51-49 percent split?

[Muftic] Karadzic and the others are in an increasingly weak position to lay down terms. It is Slobodan Milosevic who is running the show. Above all, there is a commitment on the part of the international community which is evident every day around Sarajevo and in Bosnia.

[Deprez] Supposing the peace process is pursued to the end, will not this small Serbian entity just collapse by itself?

[Muftic] That is certainly our impression. For political, social, and economic reasons this regime cannot function separately. The political reason is that it is a state within the state of Bosnia-Herzegovina, a state woven out of brutal forces which is characterized by the fascism of its government. This part of Bosnia-Herzegovina has no solid foundations to be able to function as an independent state. The Bosnian Serbs are already a very heavy burden for Serbia. Milosevic is trying to get rid of them without suffering personally too much as a result. Peace will undermine this Serbian entity. For them, the normal state is that of war which mobilizes and allows those who govern to do so by martial law. A normal situation and the opening up of communications brings certain death to a fascist regime.

De Charette, Kozyrev, Sacirbegovic Discuss Bosnia

*AU1209143195 Paris AFP in English
1400 GMT 12 Sep 95*

[FBIS Transcribed Text] Paris, Sept 12 (AFP)—French Foreign Minister Herve de Charette has been in telephone contact this week with his Russian and Bosnian counterparts to discuss Bosnia and the NATO raids on Bosnian Serb positions, a ministry spokesman said Tuesday.

His first discussions with Russian Foreign Minister Andrey Kozyrev took place Monday and further talks were planned for Tuesday, the spokesman said. He gave no details of their content.

Russia has called for an immediate end to NATO air strikes and has submitted a draft resolution for consideration by the UN Security Council.

France, however, links the end of the bombing raids with the lifting of the siege of Sarajevo by Bosnian Serbs and the withdrawal of their heavy weapons from within a 20-kilometre (12-mile) radius of Sarajevo.

De Charette stressed the need for the international "contact group" on the former Yugoslavia—of which France and Russia are members along with Britain, Germany and the United States—to maintain its cohesion, the spokesman said.

The group met last Friday at the U.S. mission in Geneva and is due to reconvene Friday at the Russian mission there.

Bosnian Foreign Minister Muhamed Sacirbegovic stressed in his conversation with De Charette the importance of Bosnian President Alija Izetbegovic's pledge that Bosnian forces would not take advantage of the air strikes to launch offensives in the Sarajevo area or seize tactical positions.

Bosnian Serb army general Ratko Mladic insists that withdrawing weapons would leave his forces open to attacks from the Bosnian army.

Herzeg-Bosnia Official Kordic Views Federation

AU0209130595 Split SLOBODNA DALMACIJA in Serbo-Croatian 26 Aug 95 p 5

[Interview with Dario Kordic, president of the Croatian Democratic Community of Bosnia-Herzegovina, by Marijan Sivric; place and date not given: "Without Herzeg-Bosnia, There Would Be No Bosnia-Herzegovina"]

[FBIS Translated Text] Dario Kordic, president of the Croatian Democratic Community [HDZ] of Bosnia-Herzegovina, is at the moment the most competent person to answer questions about the latest situation regarding Croat-Bosniak federal relations, and their confederal relations with the Republic of Croatia. We talked about that with the leading man of the HDZ of Bosnia-Herzegovina for SLOBODNA DALMACIJA.

[Sivric] Mr. Kordic, Edhem Bicakcic, temporary member of the Presidency of Bosnia-Herzegovina, announced the termination of the [self-proclaimed] Croat Republic of Herzeg-Bosnia [HR HB] by the end of the year. Could you please tell us your opinion on that statement and on the commentary published in OSLOBODJENJE about that?

[Kordic] First, it must be said that the Croat Community of Herzeg-Bosnia, and later the Croat Republic of Herzeg-Bosnia, represented a form of self-organization of the Croat people and of its right to defend its rights in Bosnia-Herzegovina, and its right to Bosnia-Herzegovina in the defense against the Greater Serbian aggression. And therefore it must be stressed that without the HR HB there would be no Bosnia-Herzegovina, that Herzeg-Bosnia gave birth to the Washington agreement and to the federation of Croats and Muslims, and its confederation with the Republic of Croatia. And why did it give birth to it? Because the Washington agreements came as a result of the strategic interests of the Croat and Bosniak-Muslim peoples, the interests of the international community and of friend countries of both peoples. In the same way, it should openly be said that it was a result of the strength of the Croat people in Bosnia-Herzegovina. The spirit of the HR HB will live through Croatian sovereignty, realized through the Washington agreement and through the establishment of the federation of the Croat and Bosniak-Muslim peoples, and the confederation with the Republic of Croatia. We want to enter that process and the final implementation of the federation with strong institutions of Croat people, which will be transformed [words illegible]. We will not enter that process with a weak Herzeg-Bosnia. The stronger it is, the stronger the Federation of Bosnia-Herzegovina will be. The HR HB is a form of the protection of Croatian interests and rights, and there is no need to specify when it will terminate. Let us rather express a true wish and will to display sincerity in all that, and to transfer the competences of the HR HB, but also of the Republic of Bosnia-Herzegovina, without questioning its internationally recognized borders, onto the federal authorities. Let me remind you that according to the federal constitution, we have the right to organize and coordinate cantons and municipalities with majority Croat population to protect Croatian interests in Bosnia-Herzegovina, which, in the confederation with Croatia, is the optimal guarantee of the protection of sovereign rights of Croats in Bosnia-Herzegovina.

Honest Relationship

[Sivric] How is the conflict between the Party of Democratic Action [SDA] and Izetbegovic on one side and Haris Silajdzic on the other reflected in Croat-Bosniak relations?

[Kordic] In building an honest relationship in the federation of Croats and Bosniaks-Muslims, and the confederation with the Republic of Croatia, we do not look for any quarrels, and we consider it first of all to be a family matter of our partner, so they should solve their doubts, uncertainties and possible disputes inside their own house.

[Sivric] Recently it was stated in the press that the relations between the HDZ and the SDA have never been better; how do you comment on that statement?

[Kordic] Relations between Croats and Bosniaks-Muslims in total should now be seen in the spirit of the Split declaration and the positive atmosphere it has created on the military plane. In that positive atmosphere, the relations between the HDZ and the SDA can certainly also be evaluated as good. One should not exaggerate with that evaluation. Time will boost those evaluations and that process, but what is important is that on the terrain in many places there are positive processes. We can cite the examples of Tuzla, Zivinice, Banovici, Lukavac, where the wave of exiled Bosniaks who suffered the exodus of Zepa and Srebrenica was very correct towards Croat people; they did not enter Croatian homes. There has also been some evident progress in the municipalities of Brcko, Ravne, Usori, but unfortunately there are also some negative occurrences which occurred after the signing of the Split declaration. One should first of all mention the case of Bugojno, where local autocrats continuously show that they are not only enemies of the Washington agreement, but also that they do not wish their own people well. Ten families left their homes after the Split declaration under those threats. Vares is a similar example, and there have been some incidents in Zenica, namely the damaging of crosses and tombstones in Crkvice. And the fact that the Mujahedin units have still not left the Croat settlement Podbrijezja in the Kakanj municipality and the Croat settlements in the Travnik municipality stands in the way of an even better evaluation of our relations. There are firm promises of the Bosniak-Muslim side that the issues I have mentioned as critical will be corrected in future. We trust that they will do that in the mutual interest of both peoples.

Military Successes

[Sivric] Can you tell us something more about the current military situation on the fronts in Bosnia-Herzegovina?

[Kordic] In coordination after the Split declaration, Croat forces have accomplished significant military successes on the territory of Bosnia-Herzegovina. Bosansko Grahovo, Glamoc, the greatest part of the Drvar municipality have been placed under Croatian control. These facts show that the HVO currently has 17 percent of the territory of Bosnia-Herzegovina under its control. That is a significant amount, which reflects the strength of the Croat people and its power, and the strength of the Croat soldiers and the HVO units. These successes and the brilliant triumphs of the Croatian Army create good preconditions for success in the latest peace initiatives. On other fronts it has come to coordinated action of the HVO and the Bosnia-Herzegovina Army, and our abundant help and wish for the Bosnia-Herzegovina Army units to accomplish good results too, because thus we create the preconditions for the expansion of the living space of the Croat and Bosniak-Muslim people, and the creation of conditions for the return of hundreds of thousands of exiled people. The situation on all fronts under the control of the HVO is extremely clean and stable. HVO units are in a strategic initiative. But it is our wish to achieve a solution of the crisis in Bosnia-Herzegovina and a just peace through political means. We cannot be too optimistic about how fast that will go. But the message of the Croat people is that the enemy can no longer hold its century-old territory under its control and occupation. Croat people from Jajce, Polugarje, Croatian Posavina, Komusina should go on living where they have always lived. And the right of our partner, the Bosniak-Muslim people is to try and hopefully succeed, with our support, in liberating the territory on which Bosniaks have always lived, and thus create a bigger living space for the Bosniak-Muslim and Croat people... All that—in case the peace initiatives have no effect.

The Peace Plan

[Sivric] What does the Croat side win and what does it lose with the American peace plan, and is this peace plan acceptable for the Croat side?

[Kordic] We should start from the fact that the Croat people have always welcomed peace initiatives and the search for a political solution in Bosnia-Herzegovina, in that way trying to solve the consequences of the Greater Serbian aggression without victims. Since the world and the international community has proved to be ineffectual in imposing the previous plans on the

Serb side, which committed the aggression on Bosnia-Herzegovina and Croatia, the Croat side, through the strengthening of its military structure and the power of Croatian soldiers on the ground, liberated its occupied territories. In light of the new successes in Croatia and in Bosnia-Herzegovina, there came a new peace initiative which in essence, as seen by the leadership of the Croat people, is the actualization of the Contact Group plan, which was rejected by Bosnian Serbs only. The basic principles of the plan are the mutual recognition of all states created as a result of the disintegration of former Yugoslavia—Serbia, Bosnia-Herzegovina, and the Republic of Croatia—within their internationally recognized borders, but also the internal division of Bosnia-Herzegovina in two entities. One of them is called the Croat-Bosniak federation, which, according to this plan, comprises 51 percent of the territory of Bosnia-Herzegovina, and [the other is] the Serb entity, which comprises 49 percent of the territory of Bosnia-Herzegovina. Naturally, in this phase of the peace initiative no final evaluations of its positive effects can be given. It can be said that there are a number of positive elements in it as a starting point; in order for the final evaluation to be given, the initiative must be completely developed. We will coordinate all our attitudes with the Bosniak-Muslim side in the implementation of the federation. We energetically refuse all insinuations and rumors and disinformation that come from some ill-intended international circles, which obviously serve to test the political public. We are quite calm and clean in the conviction that we are on the right way, and that the strength of the Croatian people is in its unity, and that the power of Croatian soldiers is on such degree that we can peacefully wait for all this that we have talked about. We are convicted that in the global solution of the crisis in Bosnia-Herzegovina the interests of the entire Croat people will be optimally protected.

Demand for Croat Municipality of Bihac

LD0409163695 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 4 Sep 95

[FBIS Translated Text] A delegation of the Croat republic of Herzeg-Bosnia, headed by the Dario Kordic, president of the Croatian Democratic Union [HDZ] of Bosnia-Herzegovina, has visited the Bihac region. Here is a report by Ivan Kristic:

[Kristic] Drago Mazar, chairman of the Bihac municipal HDZ, informed the Herzeg-Bosnia delegation about the situation in the Una-Sana grand county and the Bihac municipality. Mazar said that the situation at the level of the grand county is satisfactory primarily because Croatian representatives are involved in the work of the local authorities. However, the situation in the Bihac municipality is not satisfactory. In the municipal bodies of power there are no Croat representatives and an agreement has yet to be reached with the federal partners on how to overcome the adverse situation.

The Croats of the Bihac region are therefore insisting on setting up the Croat municipality of Bihac to encompass the areas with a majority Croat population and which were defended by the Croat Defense Council. This demand was endorsed by the Herzeg-Bosnia delegation. Help was also sought in rebuilding Croat villages on Mount Pljesevica which were destroyed in Chetnik offensives on Bihac. Pero Markovic, deputy prime minister in the government of the republic of Herzeg-Bosnia promised to provide assistance. Jozo Maric, minister of culture and education in the Herzeg-Bosnia government, promised assistance with school textbooks and teachers' salaries.

Sandzak Muslims Meet OIC Contact Group

LD0909152195 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 9 Sep 95

[FBIS Translated Text] A delegation of the Muslim National Council [MNV] of Sandzak and the Party of Democratic Action [SDA] of Sandzak has had a special working meeting with the OIC [Organization of Islamic Conference] Contact Group in the UN.

On this occasion, the Sandzak delegation briefed Contact Group representatives about the current political situation in Sandzak, underlining the importance of urgently putting the issue of Sandzak on the agenda of the international conference on former Yugoslavia in Geneva and [words indistinct].

It also demanded from the OIC exert through appropriate channels pressure on the Serbian-Montenegrin authorities to release five political prisoners sentenced in stage-managed political trials and to allow Sulejamn Ugljanin, Sandzak MNV, and Sandzak SDA president, to return safely to and to work freely in Sandzak.

The governments of Islamic countries will make maximum efforts to speed up the resolution of the issue of Sandzak, the Sandzak MNV information center said.

Opposition LBO Denounces Geneva Agreement

LD0909145195 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 9 Sep 95

[FBIS Translated Text] The Liberal Bosniak Organization [LBO] of Bosnia-Herzegovina believes that the Geneva agreement is unacceptable and very harmful for the survival and future of Bosnia-Herzegovina. It legalizes the situation created through the use of force and occupation and it recognizes the disappearance of Bosnia-Herzegovina as a single state. The agreement is contrary to the 1992 referendum, which is an integral part of the Bosnia-Herzegovina constitution. Bosnia-Herzegovina gained recognition as a sovereign and internationally recognized state within its AVNOJ borders on the basis of the referendum.

The LBO demands that the proposed solutions be urgently put on the agenda of the Assembly of the republic and federation of Bosnia-Herzegovina.

Daily: Belgrade To Decide on 'Necessary Sacrifice'

AU0309175795 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 2 Sep 95 p 2

[Commentary by Mirko Stamenkovic: "The Most Important National Goals"]

[FBIS Translated Text] From now on, in future peace negotiations with the Contact Group and Holbrooke, Pale will sit on the same side of the table as Belgrade. The world is still not sure what that means exactly. In their pragmatic simplifications, the Americans judge it to mean a "technical facilitation of work." Europe, more sensitive than usual, is quite cautious in creating its opinions.

Although silent, the world has learned the lesson, particularly Russia and China. It is not accidental that earlier, when there existed a clear balance of power, the "veto" was used much more carefully in the Security Council. For the first time in the 40 years of its existence, NATO used its air power against Serbs in Bosnia—now it is hard to make them stop, despite the evaluations that everything they have done has little to do with the real military objectives, but instead that it is a vengeful demonstration of power, which means taking one of the sides in a religious and civil war! It is civilians and people who get killed by the monstrous NATO attacks, not the army.

Strengthened Position

If Pale remains sincere about what they have signed, three things are clear: —First, through this move, Belgrade has taken them out of a hard international isolation exactly at a time when they had the least chance to put up the flag of "their own state" in the international community. Numerous unreasonable moves have ruined all that the Serbian Republic had in a time when Karadzic was a distinguished participant of meetings in Geneva, New York, and London. And when, with "the trump cards in his hands," he played a great psychological game. —Second, for the first time since the beginning of the conflict in Bosnia, Pale has lined up with the Croats in their joint interest not to end up under the "outvoting" of an Islamic fundamentalist state. [sentence as published] Because, it would be senseless to think that they would now be denied the rights that have already been given to the Croats with regard to their motherland. And that Yugoslavia would be denied the rights that have openly or tacitly been given to Tudjman. —Third, transience of military successes and achievements is the main teacher of life; the same goes for any possible results of the current loads of bombs and rockets of NATO. Americans have factually legalized the authentic interest of Serbs to decide about their basic national interests in the motherland. Belgrade is where the necessary sacrifice will be talked about for the sake of the protection of long-term national interests, and where historical national objectives are constituted.

The leaders of liberating national movements of the Serbs knew that and kept it in mind at a time when Serbia indeed was only the "Belgrade Pashaluk." And when the remaining Serbs outside of the motherland were stifled by the "K. und K. Monarchy."

It is good that we have realized that now. Because, other peoples in the former Yugoslavia did not act like the leaders in Knin and Pale. They left their ideological and party conflicts for later, after they consolidated their states and their international legitimacy. Tudjman conducts his "Flashes" and "Storms" with the complete national consensus, also of those who will one day try to prove that they were against it!

It is wise to gather all the forces in order to save national interests. It is clever to know instead of hiding the differences. Without that, illusions are created. The world is not naive and knows that the Belgrade agreement between the political leaders from Pale and Belgrade has not erased all the differences between them. They are there, and only time can solve them. They should be pushed aside in order to realize strategic objectives.

Historical Memory

Everyone should be as rational as possible and responsible before history. One should not be fooled: The historical memory of the people is strong and it is hard to disguise it with marketing iconography.

It has always been easy to prove that the whole iconography in Knin and Pale was not only "fooling" the world in order to show that "Serbia has nothing to do with this." From the beginning, it has always been a fundamentally different approach to the understanding of state affairs, its ideological and political basis. It went that far as to proposing to transfer the center of the Serb Church to Bosnia. At the same time, state symbols are a side issue, in the total iconography so different than the Serb people in the motherland, and the Serbian—that is, the Yugoslav state! [passage as published]

The policy of Knin and Pale contributed a lot to the strengthening of Croatia in its fascist form and to their drugged conviction that they can always go one step further than what Washington and Bonn have allowed them.

The policy of spite towards Belgrade and the true friends in the world—for example, when the Pale assembly humiliated the world and one foreign prime minister strengthened Alija's Islamic state more than any presents from abroad.

With the loss of territory, which has its psychological consequences, and the horrifying exodus of people from Krajina and western Slavonia, ideological and political conflicts and the negating of Belgrade resulted in the fact that Europe for the first time allowed something characteristic of Africa and Asia. At least for the time being, Europe has tacitly allowed something that has nothing to do with military action. These territories were conquered by crusaders, Turks, the Habsburg monarchy, Hitler's hoards, but in the modern history of Europe, borders of new states have never been drawn by expelling an entire people from its 500-year-old homeland! Belgrade did not move the people of Krajina. It was a result of the lack of wisdom in Knin and Pale, therefore they cannot blame Belgrade or the motherland.

The only rational thing in this moment is to live with the differences, which are—the way they are because there are significant strategic goals. In all that, it is positive that some parties have been proved to be minor, and Pale will no longer give them the right, not even formally, to put their party ambitions before the protection of the Serbian national entity!

Parties Support Izetbegovic's Peace Plan

95BA0349A Ljubljana OSLOBODJENJE in Serbo-Croatian 24-31 Aug 95 pp 4-5

[Article by S. Luckin: "Under This There Is No Bosnia: Politicians of Bosnia-Herzegovina on the Peace Initiative of President Izetbegovic"]

[FBIS Translated Text] *Parliamentary parties support Izetbegovic's plan. Dealing with Gorazde is not possible. To persevere with the federal concept.*

The 12-point peace program, which President of Bosnia-Herzegovina Alija Izetbegovic has announced, will be one of the most common themes of political life in Bosnia-Herzegovina in the coming days. For the most part, judging from the reactions of the politicians of Bosnia-Herzegovina, given in a survey conducted by OSLOBODJENJE, this move has met with the support of the public, and more thorough analyses can be expected only in the next few days.

The ruling party of Bosnia-Herzegovina, according to Edhem Bicakcic, acting member of the Presidency of Bosnia-Herzegovina and vice president of the SDA [Party of Democratic Action], wholly supports the program of president Izetbegovic. "The 12-point plan emerged in the expectation of the concretization of the American initiative and is oriented directly to that initiative," said Bicakcic.

Minimum of Demands

He added that the views expressed by President Izetbegovic represent the "lower threshold of our demands" for future peaceful negotiations. According to Bicakcic, it is good that these views have been expressed in advance because of various speculations, ranging from "that card on the menu to an exchange of territory." All this can create confusion in the countryside and, with the public orientation toward the American initiative, an improvement in the situation in Bosnia-Herzegovina is being made possible, as well as a strengthening of the defensive might of the state.

The fact that Gorazde was not directly mentioned in the views of President Izetbegovic does not mean for Bicakcic that dealing with that city is possible. "A special resolution on Gorazde was passed, and it is stated in the views that there are no exchanges of territory. In addition, President Izetbegovic clearly ordered that we will fight for Gorazde for 15 years if necessary. These views are primarily a message to the world and those submitting the peace plan; thus, it was not necessary to mention Gorazde directly," said Bicakcic.

Stjepan Klujic, member of the Presidency of Bosnia-Herzegovina and president of the Republican Party, did not wish to comment on the peace plan of President Izetbegovic. "We had agreed in the Presidency that we would carry out a discussion on this before the initiative was announced, but this was not done. This is a private initiative and it is the sum of our ideas, which we stated earlier in informal talks," he stated briefly.

The SDP [Party of Democratic Reform], according to Nijaz Skenderagic, member of the Presidency of this party, supports the program offered, primarily the fact that this is the first time that the government organs of Bosnia-Herzegovina have explained themselves and clearly stated their views on what kind of peace is acceptable. "The views from the initiative of Mr. Izetbegovic are in line with what the SDP also supports," said Skenderagic.

The program of President Izetbegovic is also acceptable in its entirety for the LBO [Liberal Bosniak Organization]. "Nevertheless, there is the problem of the implementation of the peace agreement, because it is not sufficient just to guarantee the participation of the five Contact Group countries, but also the realization of other obligations, primarily the compensation for damages and above all providing resources for the return of refugees," warned Dr. Avdo Spaho, vice president of the LBO.

He also emphasized the question of providing resources for the rebuilding of Bosnia-Herzegovina. The establishment of a fund for rebuilding, he believes, is not sufficient. "Damages should be paid for by whoever caused them most or contributed to their occurrence," said Dr. Spaho. The LBO considers that the peace process should move ahead, but it also supports the rapid resolution of questions for the existence of citizens of Bosnia-Herzegovina, especially Sarajevo, whose fate is undefined even in the American initiative.

The Significance of Podrinje

The Muslim Bosniak Organization supports the views of President Izetbegovic, and insists that we persevere with them and that international factors be prevented from separating them, leaving them to the aggressor. "For us there is no deviation from the key point, and that is the preservation of the territorial integrity of Bosnia-Herzegovina. In addition, we must insist that the persecuted population return to their property, and if this is still not possible, then they should be compensated for the real damages for lost property," said MBO [Muslim Bosniak Organization] vice president Mujo Kafedzic.

According to Kafedzic, it is unclear in the program what has been agreed on regarding small corrections on the map, since this can make possible the complete ethnic cleansing of the Podrinje area of Bosniaks. "If such a proposal is forced on our negotiators, we believe that they must demonstrably leave the negotiations, because if we lose Podrinje, we have lost Bosnia-Herzegovina," Kafedzic warned.

This is the greatest resource of Bosnia-Herzegovina; in Podrinje there are hydroelectic power plants and industrial installations, he said. "Thus, we must be energetic in preserving Gorazde and the areas that gravitate to this city"; that is categorical.

Kafedzic beleives that we must also persevere with the federal concept of organizing Bosnia-Herzegovina, in that the part controlled by the Serbs would have to be encompassed. These parts of the federation would not be able to have the right of concluding any international agreements, because in this way their possible secession would be avoided. Finally, Kafedzic also pointed to the need for international forces to control the border with Serbia for at least five years, until a modern, strong army of Bosnia-Herzegovina is built, which will be capable of assuming that role itself.

Commentary: Kosovo Is Bosnia's Bargaining Chip

LD1009185795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 10 Sep 95

[Commentary by Dzevad Dzhia]

[FBIS Translated Text] At the very beginning of the aggression against the Republic of Bosnia-Herzegovina, the United States clearly said that there will be no winners in the war in the territory of the former Yugoslavia. Since at the time the Republic of Bosnia-Herzegovina was already an internationally recognized state, the fact that our country would not disappear from the geopolitical map of the world was probably hinted at in this ambiguous stance expressed by the most powerful country in the world. The current Geneva Agreement and the talks for restoring peace in Bosnia-Herzegovina, to be held over the next few days and months, should be seen in that context. Commentary by Dzevad Dziha.

[Dziha] The shock waves sent through our public by the news from Geneva about the legitimization of the so-called Serb Republic initially could not be diminished, even by the fact that the opening phrase of the Geneva Agreement clearly states that Bosnia-Herzegovina remains a state within its historic and internationally recognized borders. But we can only try to guess the severity of the shock caused among Karadzic's Serbs by the confirmation of the continuity of Bosnia-Herzegovina as a state, despite their leaders' efforts to conceal this fact.

The first step toward peace in Bosnia-Herzegovina was made in Geneva, but a lot of work remains to be done, U.S. President Bill Clinton said after the Geneva meeting. The main of many unsolved issues is how it is possible that two entities—or rather, two states, as it is explicitly stated in the Geneva Agreement—can exist separately within the borders of one state of Bosnia-Herzegovina. This formula is unknown in international law and the existing theories of state and law, but in fact it reflects the situation in the field, which politics must take into account.

It will be the negotiators' task to reconcile these two irreconcilable facts in the upcoming peace process. This task will be difficult, if not impossible to solve, if we ignore the prediction that the war in the former Yugoslavia will not end in peace in Bosnia-Herzegovina [sentence as heard].

There are many questions in self-styled Yugoslavia that could shake the Belgrade regime more fiercely than the territorial aspirations on the other side of the Drina River and the Greater Serbian policy. Let us recall: The Kosovo parliament proclaimed the Republic of Kosovo more than five years ago, and it is not inconceivable that the West—failing in its attempts to solve the Bosnian issue—will start tackling the Kosovo issue while the peace negotiations are still continuing.

After all, if it is theoretically possible to have quote two states unquote in Bosnia-Herzegovina, why should the same be denied to Serbia? We should find some room for Sandzak, too. However, knowing what Kosovo means to Serbia, it is hard to imagine that the Belgrade regime will agree to a state within its own state. It will be more realistic to expect Milosevic to abandon the Serb state in Bosnia-Herzegovina; autonomy is something else. He is the only person who can do that as the leader of all Serbs, because Karadzic and Mladic will be in The Hague when this happens.

This is even more likely to happen since Kosovo has been Albanian for centuries and the Albanian people have not become the majority people in Kosovo through a genocide and a horrific aggression, as it was the case with the creation of the Serb entity in Bosnia-Herzegovina.

The latest events in Croatia and Croatia's relationship with Bosnia-Herzegovina could be used in support of this thesis. The West gave its support to Croatia's Operation Storm. In return, there have been no fierce reactions to the Geneva Agreement, which did not mention any confederal links between Croatia and the Federation of Bosnia-Herzegovina, although the signatures on the Washington Agreement are more important than the seal on the Geneva Agreement.

The issue of eastern Slavonia has been put on hold, not as a trump card for Croatia, but for the powerful West. After all, everything is still on the table, except for the survival of Bosnia-Herzegovina as an internationally recognized sovereign state in its historical and recognized borders.

UN in 'Difficult Position' Over Army Offensive

AU1209174295 Paris AFP in English
1704 GMT 12 Sep 95

[by Adrian Brown]

[FBIS Transcribed Text] Sarajevo, Sept 12 (AFP)—A flare-up in fighting between government forces and the Bosnian Serb army in central and western Bosnia has raised UN concerns that Sarajevo could be taking advantage of the NATO air operation to press home a military advantage on the ground.

While NATO aircraft daily unleash their sophisticated weaponry against Bosnian Serb targets in an ever wider zone of operation, the considerably less well-equipped Bosnian army launched a small offensive in central Bosnia at the weekend, taking a key land route.

On Monday government forces announced they had control of Vozuca, a small village straddling a quiet but vital road lying at the tip of the Ozren salient, a finger of Serb-held land jutting deep into government territory.

Bitterly disputed in the past, its capture is more of a gain to the Bosnian army than a loss to the Serbs. Control of the road running through the village yields one more cross-country route speeding up links in this mountainous part of the country between two important towns, Tuzla and Zenica.

But the capture was another set back for the Serbs at a time when they are coming under increasing pressure from NATO's bombing campaign.

Aimed at pressuring the Serbs to withdraw their weapons from around Sarajevo—60 kilometers (35 miles) to the south of Ozren—UN military officials say it should not have affected the performance of the Bosnian Serb army in this region.

Most NATO raids against military targets such as ammunitions dumps and communications have focused on eastern Bosnia and the Sarajevo region.

Nevertheless the destruction by NATO of a key communications tower on the Ozren mountain range gave the Serbs one less reason to hold onto the heights. Indeed early reports indicate that the Serbs pulled out of the village rather than defend it.

Before the air campaign began, the United Nations extracted a pledge from Sarajevo that its forces would not take advantage of the bombing, but only specified Sarajevo. "There was no demand to respect this along the whole confrontation line," one UN official said.

It appears unlikely that the actions of the Atlantic alliance and the Bosnian army were coordinated. But it is precisely this kind of incident that is worrying some UN officials in the peacekeeping mission.

They argue that it is wrong that while NATO is gradually whittling down the Bosnian Serb's military infrastructure, the Bosnian army may have started to quietly tidy up some loose ends on the battlefield.

Massively outgunned by the Serbs, progress for government forces has been slow, painful and costly, its advantage in infantry paid for heavily in the lives of many men. Analysts say it is not surprising therefore if Sarajevo were to strike while the opportunity is there.

Vozuca is not the only area though that has become more active as the NATO campaign rolls on. As hotly disputed is the town of Donji Vakuf further to the west. Here, UN officials also report fighting on the increase.

Officially, UN peacekeepers have played down the fighting saying it is not significant. However, one senior official admitted: "We're in a very difficult position and we're not sure we could stop it if we wanted."

Furthermore, there are others who see small gains by government forces as helping to pile on the pressure against the Serbs. "It does add pressure on the Serbs who after all have only to pull back their weapons from around Sarajevo to stop this whole thing," said one.

Croats, Muslims Poised To 'Grab Back' Territory

MS1309094295 London THE DAILY TELEGRAPH in English 13 Sep 95 p 13

[Article by Robert Fox, including remarks by General Anton Tus, chief strategist to Croatian President Franjo Tudjman: "Muslims and Croats Show Signs of Seizing Their Chance"]

[FBIS Transcribed Text] It now appears that Nato has run through the first list of targets in its bombing campaign to persuade Gen Ratko Mladic, the Bosnian Serb commander, to lift the siege of Sarajevo.

Some of about 40 original objectives have been hit several times. Nato commanders now want to switch to electricity stations, bridges, roads and water supplies. Hitting them would risk civilian lives.

The United Nations cautious to the last, opposes hitting new targets. Time is not likely to favour caution now. Nor is it likely to side with Nato, the UN, or even Gen Mladic in his Serb defiance. The Bosnian Muslims and the Croats show signs of seizing the moment where it counts, on the ground.

Air strikes have had their impact, which paradoxically may have boosted the morale of the Serb forces, casting them as Balkan Davids against the Goliath of Nato.

The next phase will be wearing down the infrastructure of the Bosnian Serb army—if the Americans and their allies have the staying power. Meanwhile, Croat and Muslim forces are lining up to grab back large slices of northern and western Bosnia. Diplomats believe that a move by the Croat and Muslim forces to lift the siege of Sarajevo could begin soon if there is no progress towards a peace deal.

Croat-led forces are poised to neutralise Serb forces round Trebinje which have threatened the coast round Dubrovnik for the past four years. "Time is not with Gen Mladic," says Gen Anton Tus, former commander of the Yugoslav air force and now chief strategist to President Franjo Tudjman of Croatia.

"The world is pushing to end the conflict now, so his immediate purpose is to gain time to get as many concessions as he can in the short term."

General Tus estimates that the Bosnian Serbs have already lost one per cent of the whole territory of Bosnia in the past week.

He conjectures that Gen Mladic and his commanders must now keep pressure on Sarajevo, hold the Posavina supply corridor across eastern Bosnia into Serbia, and protect Banja Luka, the biggest city in Bosnian Serb hands.

The Bosnian Muslim 7th Corps is facing north to relieve Jajce and Donji Vakuf. The HVO Croat militia, with Croatian regular army artillery, is ready to push north and west from Drvar. The Bosnian Muslim 5th Corps is poised to move towards Prijedor and Sanski Most.

Once more, Bosnia and its borders are balanced between a grumbling truce and war. The balance will be tipped by events in two areas: Sarajevo and Eastern Slavonia, the only part of Croatia still held by Serbs.

Gen Tus believes that Gen Mladic will be reluctant to lift the siege of Sarajevo. "The 250,000 to 300,000 people in the city pose a big danger for the Serbs, even in a military sense. The Serbs really want both sides round the city to withdraw and disarm."

Similarly, the Croat general believes that there will be a peaceful settlement to allow Eastern Slavonia to be reintegrated into Croatia by next year.

Army Continues Advance After Vozuca Victory

AU1209152295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 12 Sep 95

[FBIS Translated Excerpt] The liberation of Vozuca and the entire area in the Krivaja River basin, which has resulted in the enlargement of the free territory by some 150 square kilometers in the area of responsibility of the 2d Corps and the linking up of the 2d and the 3d Army Corps, represents one of the most brilliant successes of the Bosnia-Herzegovina Army since the beginning of the war. Here is a report from the Information Service of the 2d Army Corps:

[Correspondent] Apart from the already liberated area of Vozuca, Lozna, Seona and other villages, in the past 24 hours our fighters also liberated another 30 square kilometers together with the villages of Mala Lozna, Savici, Brdo, (?Potoci), and [word indistinct], as well as some elevated positions from which the enemy artillery had been active until a few days ago. These are: [words indistinct] Brdo, Gradina, Ravna Rudina, Kamen, Kvrga, Brijest, and (?Potanjac). During their action our forces captured an enormous amount of weapons, ammunition, and military equipment.

Among other things, they captured about 250 rifles of various types, machine guns, and other small arms; three tanks; two self-propelled vehicles one with a 90-mm and the other with a 57-mm gun; one Praga, one Bofors, four 122-mm howitzers, about 30 mortars of all calibers, six guns of the Zis type, several launching devices with antiaircraft and armor-piercing rockets; about 30 various hand-held devices and [words indistinct] that can also be mounted on vehicles. They also captured 26 offroad and other types of vehicles. These were mainly loaded with ammunition and other equipment. The amount of ammunition for small arms and artillery could not be determined as some of it was immediately put to use to rout the remaining enemy formations. [passage omitted]

Commentary: NATO Overlooking 'Collateral Damage'

LD0609175295 Belgrade TANJUG in English 1543 GMT 6 Sep 95

[Unattributed commentary]

[FBIS Transcribed Text] Belgrade, Sept. 6 (TANJUG)—A NATO spokesman in Brussels said on Wednesday that its airstrikes had targeted solely on Bosnian Serb military positions, but Southern Commander U.S. Admiral Leighton Smith admitted that certain 'collateral damage' had occurred.

Admiral Smith did not use the words 'civilian casualties,' but rather a phrase employed by Western officers when they want to avoid the embarrassment of mentioning civilian deaths.

Despite NATO's efforts to cover up the extent of the 'collateral damage,' facts about Serb civilian casualties are surfacing. A number of Western television stations showed the consequences of last week's air raids, while REUTER news agency on Wednesday carried a story on the civilian casualties in the Serb part of Sarajevo.

REUTERS said that about 250 Serb civilians had taken shelter from the bombs in the basement of the technical university in Sarajevo's Lukavica suburb. The university building, which is still being shelled, was heavily damaged last Wednesday, the first day of the NATO blitz.

On Tuesday, NATO's fighter-bombers blew up a water supply station located on a nearby hill, thus leaving without drinking water the hospital in Sarajevo's Kasindol suburb, the hospital's director Dr. Zdravko Zdralje said.

Dr. Zdralje said that the water station was used solely for civilian purposes.

The Bosnian Serb television carried a story showing a house completely demolished by the shelling in which a man was killed and a woman and two children injured.

A 60-year-old woman said that the airstrikes reminded her of the the Nazi bombings during World War Two which she experienced in her childhood.

While bombs are falling on Sarajevo, U.S. pilots on board the USS aircraft carrier Theodore Roosevelt on station in the Adriatic seem to be unaware they are becoming war criminals.

'It is good to be doing something constructive, to bomb someone,' REUTERS quoted a sailor who was bored with the waiting for the start of the operation.

'We feel we have fulfilled out mission,' another sailor said.

The pilots, often shown on television with smiling faces as if they were going on a picnic, quite understandably are trying to justify their actions.

In this they had the help of an extensive media propoganda campaign against the Serbs, including the incredibly fast U.N. 'investigation' which concluded, without any proof, that a Serb mortar killed 37 civilians and injured more than 80 on Aug. 28 in Sarajevo.

'If people do something like that, I don't care if the war spreads all over. This then becomes a war against humanity,' U.S. pilot Paul Costello said.

Therefore, when war is waged 'for humanity' and when bombs are used 'for a peace mission,' 'collateral damage' can calmly be overlooked.

Daily: UN Acquiesced in Fate of Srebrenica Muslims

BR1209153795 Amsterdam DE VOLKSKRANT in Dutch 12 Sep 95 pp 1, 3

[Article by Hans Moleman: "United Nations Kept Agreement With Mladic Secret"—words within slantlines printed in English in original]

[FBIS Translated Text] Amsterdam—The United Nations kept secret the agreement with Ratko Mladic, the leader of the Bosnian Serb Army, about the fate of Muslim men from Srebrenica to improve relations with

Mladic. Defense Minister Voorhoeve also felt bound to keep the agreement secret.

"General Smith does not want this agreement to be made public. We regard this as a first, limited step toward normalizing relations with the Bosnian Serb Army," according to a note made of the talks by the staff of UN Commander R. Smith at UNPROFOR [United Nations Protection Force] headquarters in Sarajevo, which was passed on to DE VOLKSKRANT.

From the note, written by Lieutenant Colonel J. Baxter, it appears that on 19 July Smith tried to negotiate with Mladic about the captured Muslim men from the fallen enclave. Their fate was the first point on the agenda of the talks. Smith wanted Mladic to treat them as prisoners of war.

When Mladic refused, the UN commander signed the agreement, which includes a total of nine points. The UN leadership regarded the Bosnian Serb signature of the other points of the agreement as very important. For example Mladic promised free access for UN convoys and agreed to approve the water supply to Sarajevo.

"It was a package deal. In this way the bleak fate of the Muslim men became a subordinate point," according to an insider at the UN leadership in the former Yugoslavia. "Mladic would not waste another word about the men, whom he regarded as his prisoners, after he had given a dictate to Lieutenant Colonel Karremans of Dutchbat on 12 July in Srebrenica, and excepted the able-bodied men from evacuation."

The meeting between Smith and Mladic was very important for the UN leadership in Bosnia. It was the first time since May that Mladic had been willing to again speak with Smith, whom he had ignored since the NATO bombing of the spring. The talks, in the Jela restaurant near Sarajevo, lasted a total of some three hours.

According to Baxter's note the aim was "a follow up of the negotiations which EU negotiator Carl Bildt had carried out last weekend in Belgrade. The subjects were Srebrenica and the withdrawal of Dutchbat, Zepa, and freedom of movement for UNHCR and UNPROFOR."

"Throughout the entire meeting Smith was in contact with Bildt, who at the same time was talking with President Milosevic in Belgrade, The atmosphere of the meeting was /brisk and business-like/. Mladic had come with the clear intention to sign the agreement and not to negotiate. He was /in a chipper mood/, clearly buoyed up by the success of the Bosnian Serb Army in Zepa."

First the UN commander tried to convince the Bosnian Serb Army leader to give the captured Muslim men from Srebrenica the status of prisoners of war. In that case their safety would have been established in accordance with the Geneva Convention. When Mladic refused, it was agreed only that the Red Cross would be allowed to visit the reception points where the men were held on 20 July.

Mladic immediately broke this promise: The Red Cross only gained access to the camps later, and found scarcely 200 men. At the same time the indications grew that the Bosnian Serbs had killed between two and three thousand Muslims from Srebrenica. This led to much criticism of Dutchbat.

According to the UN source the agreement could have served well in the Netherlands to relativize Dutchbat's responsibility for the fate of the Muslim men. "With the signature and everything, the UN leadership acquiesced to the fate of the Muslims. In fact this had never been shown."

Referring to the talks about the captured Muslims, the note says literally: "In paragraph one any reference to /POWs or detainees/ was scrapped, because Smith wanted the first description only, and Mladic the second only. It was also decided that it was /not correct/ that the generals should agree what the Red Cross should do in Srebrenica and Zepa."

Voorhoeve's spokesman Kreemers said on Sunday when asked that the agreement between Smith and Mladic was irrelevant with respect to the justification which the minister had given to Parliament. Kreemers also said that the agreement was not special, and that the meeting between Smith and Mladic was no more than a routine talk, like many held at that time.

Analysts See Defeat for 'Fanatical' Gen Mladic

AU1209072695 Paris AFP in English
0555 GMT 12 Sep 95

[By Milan Dragovic]

[FBIS Transcribed Text] Belgrade, Sept 12 (AFP)—NATO warplanes and cruise missiles and the heavy artillery of the mainly Franco-British rapid reaction force have so far failed to budge the military commander of the Bosnian Serbs, General Ratko Mladic.

In his game of brinkmanship with the western alliance the 51-year-old Mladic seems prepared to suffer the total destruction of his defences and communications rather than bow to UN demands that he withdraw his big guns from around Sarajevo.

Analysts, while recognising his undoubted ability, deride his fanatical assurance that his self-proclaimed Serb Republic will end up victorious in the Bosnian civil war.

Milos Vasic, military expert on the opposition Belgrade weekly VREME said that militarily Mladic was in a no-win situation.

Pulling his heavy weapons off the hills surrounding the Bosnian capital would lose him his strategic advantage over the Moslem-led government, but leaving them in place will mean a continued hammering from NATO.

In Geneva peace talks last week the Bosnian Serbs secured the recognition of their "republic" as an entity in the future make-up of Bosnia.

But their policy of "what we have, we hold,"—more than two-thirds of Bosnia-Hercegovina—seems doomed in the face of international pressure and a revitalised government army.

The United Nations, and a US administration which has suddenly become interested in the Bosnian crisis, want to enforce an international peace plan that would leave the Bosnian Serbs sharing the country roughly equally with a Moslem and Croat federation.

On Sunday [10 September] Mladic was still intransigent, rejecting any concession in a meeting with the commander of UN forces for the former Yugoslavia, General Bernard Janvier, for talks that were described as "short and sour."

But after the cruise missile attack that followed on their air defences in northwestern Bosnia, and further pounding by NATO aircraft Monday, the Bosnian Serb "government" appealed to Russia, their main supporter, to issue an ultimatum to the western alliance to stop.

Last week Mladic had proclaimed that NATO—whose officials say they do not want to eliminate the Serbs' military capability—was powerless to destroy his defences and accused it of hitting soft civilian targets.

His command has claimed the destruction of four NATO aircraft, but only one has been admitted, a French Mirage 2000 shot down over the Serb stronghold of Pale on the first day of "Operation Deliberate Force" on August 29.

But for a senior Bosnian Serb official who wanted to stay anonymous, Mladic has a more personal reason for his defiance: "he knows he has no alternative between going down in history as the most outstanding of Serbian generals, or being tried as a war criminal."

Mladic's leading role in "ethnic cleansing" of Moslems and Croats in Serb-conquered territory—particularly in the former UN-declared "safe area" of Srebrenica overrun in July—is well-documented.

Like the Bosnian Serbs' political leader Radovan Karadzic he has been indicted by the international war crimes tribunal set up in The Hague.

Last August Karadzic tried to dump him, but he defied dismissal with the backing of the whole of his general staff.

Born and raised in a small village in eastern Bosnia near Kalinovik, Mladic never tires of recalling how his father was killed in 1945 by the pro-Nazi Croat Ustashis.

He joined the post-war Yugoslav army and rose through the ranks, and after serving in Macedonia he was a colonel in Knin, the headquarters of the Croatian Serbs, when Croatia seceded from Yugoslavia and war broke out with Serbia in July 1991.

He trained the local Serb militia into a proper army, which held the rebel region of Krajina for four years before crumbling in August before a Croatian advance.

Promoted general by Belgrade, with whose military chiefs he still has close links, Mladic was posted to Bosnia, where he took over the local Serb forces after Sarajevo proclaimed independence and the forces of the rump Yugoslavia withdrew in May 1992.

As the Bosnian Serbs rebelled against the government, Mladic distinguished himself in forcing a vital supply corridor between western Bosnia and Serbia proper.

But his dream of forming a Greater Serbia now seems dead.

Karadzic: Geneva Accord Opens Door to Peace

LD0909115995 Belgrade TANJUG in English 1026 GMT 9 Sep 95

[FBIS Transcribed Text] Pale, Sept 9 (TANJUG)—Bosnian Serb President Radovan Karadzic late on Friday told Bosnian Serb television that the Geneva Accord 'opened a door' to peace in Bosnia. Karadzic said, however, that the agreement was only verbal and more efforts were needed to achieve peace. 'In three and a half years we have achieved the first step, the door is now open to peace,' Karadzic said.

Representatives of Yugoslavia, Croatia and the Bosnian Muslim Sarajevo government in Geneva on Friday reached an accord in principle on a peaceful settlement of the conflict in the former Yugoslav republic of Bosnia-Herzegovina and recognition of two entities in its territory—the Bosnian Serb republic and the Muslim-Croat federation.

Buha Says West Has No Reason To Attack Serbs

LD1209132195 Belgrade SRNA in Serbo-Croatian 1015 GMT 12 Sep 95

[FBIS Translated Text] Sarajevo, 12 Sep (SRNA)—Aleksa Buha, foreign minister of the Serb Republic, said yesterday that the international community has yet to confirm its readiness to halt the war in former Bosnia-Herzegovina.

Buha told Serb radio that NATO is acting on behalf of the international community and noted that even during the negotiations in Geneva NATO planes continued their insane bombardment of Serb civilian and military targets.

"If the peace process is moving forward, the first thing to do to help it along is to reach an agreement on a permanent cease-fire. This was called for at the meeting in Geneva," the Serb Republic foreign minister said.

According to him, the international community mediators are in favor of the cease-fire, but in their replies they make it clear that two separate processes are in play: first, the NATO action and second, the diplomatic-political process.

"The conclusion to be drawn is that there are at least two international communities and that one does not know what the other is doing," Buha said.

He said that the situation could block the peace process as a whole regardless of how good its prospects are.

"We would find ourselves in an even more tragic situation than before, perhaps the most difficult one since the civil war in former Bosnia-Herzegovina started," Buha said in conclusion.

Buha Warns Bombing Could Halt Peace Process

LD1209191595 Belgrade TANJUG in English 1857 GMT 12 Sep 95

[FBIS Transcribed Text] Belgrade, Sept 12 (TANJUG)—Foreign Minister of Republika Srpska Aleksa Buha said Tuesday that the international community had still not confirmed its readiness to halt the war in the former Bosnia-Herzegovina.

In a statement to Serb radio Buha said that the bombing of Bosnian Serbs by NATO could halt the peace process and lead to an even more tragic situation than the one now, perhaps the most serious situation since the breakout of the civil war in Bosnia-Herzegovina.

The international community is now appearing in the form of NATO which had relentlessly continued bombing Serb civilian and military targets while the talks in Geneva were underway, Buha said in a statement transmitted by Bosnian Serb news agency SRNA.

'If the peace process has begun then it is necessary to conclude an agreement on a lasting cessation of hostilities,' Buha said adding that this was also called for at the Geneva meeting.

SGV Presents Platform on Peace

AU1209185695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 12 Sep 95

[FBIS Translated Text] The Serbian Civic Council [SGV] of Bosnia-Herzegovina is committed to peace on the basis of a political agreement that must preserve the statehood of Bosnia-Herzegovina, its multiethnic essence, and the cosmopolitan character of this part of civilization. In light of this, the SGV of Bosnia-Herzegovina assesses positively the coordinated basic principles from Geneva, a statement for the public by the SGV states.

The SGV also notes that the solutions offered at the Geneva summit give rise to new ambiguities and the question of whether the current peace initiative tacitly agrees to an ethnic division of Bosnia-Herzegovina. The basis for the future talks, the SGV believes, does not contain an answer to a crucial question, namely, the constitutional definition of Bosnia-Herzegovina and the joint central offices for the performance of these functions, which should be included in the principles of a peace settlement. This entails a demand that Bosnia-Herzegovina retains foreign policy, border control, and the other most fundamental institutions of the overall economic life of the country. The state cannot function with two entities that are antagonized by the war. Disregard for the joint functions of the overall country means agreeing to its dissolution, which would have unforeseeable negative consequences for all three peoples in Bosnia-Herzegovina.

The stance of the SGV toward the U.S. initiative is defined in a special statement, which the SGV summarizes:

Preservation of the territorial integrity and international subjectivity of the state of Bosnia-Herzegovina.

Definition of the minimum of joint state functions of the integral Bosnia-Herzegovina.

International guarantees for the return of refugees.

Interim international control of the Bosnia-Herzegovina borders.

International supervision over the observation of human rights throughout the territory of Bosnia-Herzegovina.

Preservation of Sarajevo as a unified urban and administrative entity.

Economic aid for the reconstruction of Bosnia-Herzegovina.

Establishment of the federation political order throughout Bosnia-Herzegovina.

Inclusion of the SGV as an equal subject in the future peace talks, the statement by the SGV of Bosnia-Herzegovina states.

Serb Civic Council Member Opposes Ethnic Split

MS1309095395 London INDEPENDENT in English 13 Sep 95 p 16

[Letter from Professor Mirko Pejanovic, Member of the Presidency of Bosnia-Herzegovina, Serb Civic Council, London, and others: "Not All Bosnian Serbs Wish to Negotiate a Separate Republic"]

[FBIS Transcribed Text] Sir: We, members of the Serb Civic Council, represent the Serbs of the territories controlled by the legal authorities of the Republic of Bosnia-Herzegovina. We are convinced that we express the interests of the majority of the Serb population, both within Bosnia-Herzegovina and those who are refugees abroad.

We are members of different political parties but many of us hold positions in the Bosnian government. We come from different parts of Bosnia, including Sarajevo, Tuzla and Zenica. We are convinced that, at this very critical moment, it is essential to point out that Radovan Karadzic and Ratko Mladic can not be given the right to represent the Bosnian Serb point of view.

It is as much in the interest of Serbs as of anyone else to maintain a unified, sovereign republic of Bosnia-Herzegovina within its recognised international borders. We are fully committed to pluralist democracy and the equality of all the peoples and citizens of Bosnia-Herzegovina.

We are particularly opposed to any division of Bosnia and above all one based on ethnic principles The council is committed to peace in Bosnia, the return of all refugees and expelled citizens, and the punishment of war criminals.

We request that the Serb Civic Council be included as representative of the peace negotiations.

signed by:

Mirko PejanovicTatjana Ljujic Mijatovic, Member of the Presidency and Ambassador to UN in ViennaDragoljub Stojanov, Professor, Sarajevo UniversitySimo Simic, BusinessmanJovan Divjak, Deputy Chief of Staff, Bosnian ArmyIng Sretko Radisic, Vice President, Zenica Town CouncilMirjana Hadzikaric, President County Court, SarajevoMico Rakic, Ex-Ambassador of former Yugoslavia to U.S.Vijka Djikic, writerMarko Vesovic,writerNenad Jovanovic, Tuzla businessman.

Serb Party Gives Statement Supporting Leadership

LD1209205295 Pale Srpska Televizija in Serbo-Croatian 1830 GMT 12 Sep 95

[Statement by Serb Democratic Party—announcer-read]

[FBIS Translated Text] At the time when the Serb people in the [Bosnian] Serb Republic are crowning their just struggle with a colossal victory, international terrorism is committing brutal aggression against the acknowledged Serb state, in an attempt to belittle the results of the Serb struggle on the military and diplomatic plane.

Namely, the terrorist organization NATO is using its monstrous technology to murder innocent civilians, destroy the psyche of the young, and obliterate property before the eyes of the world public—which prides itself on being democratic and civilized, but in fact is a society pursuing a policy of double standards, hypocrisy, and cynicism toward the Serbs.

Accepting the program of the Serb Democratic Party [SDS] in a plebiscite five years ago, the Serb people on the territory of Bosnia-Herzegovina were compelled to wage a struggle for a state of their own. By rejecting the Vance-Owen plan and the Contact Group's maps, and by positively assessing the Owen-Stoltenberg demarcation plan and upholding elements of the U.S. peace initiative, the Serb people won themselves the right to establish links with their mother country, create their own state on their ethnic territory, and gain freedom. With this they completely justified their national struggle.

However, cynical foreign factors are at this crucial moment trying to take away or minimize these rights with brutal NATO air strikes. That is why the Serb Democratic Party of the Serb Lands expresses its full support for the state leadership of the Serb Republic and its negotiating team, because it believes that it is conducting a policy leading to peace and victory, while the joint negotiating delegation with the Federal Republic of Yugoslavia is a guarantee for national accord and victory.

Tudjman Speech at Zagreb Trade Fair

LD1209100695 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 11 Sep 95

[Speech by Croatian President Franjo Tudjman at the opening ceremony of the International Autumn Trade Fair in Zagreb—live]

[FBIS Translated Text] Ladies and gentlemen, dear hosts, and guests of Zagreb's International Trade Fair: When we opened the Autumn Trade Fair here in 1991, the Yugo-Serbian army was destroying numerous Croatian towns and occupied around one quarter of Croatian territory, with the help of the rebel Serbs. Gathered here today to open the Autumn Trade Fair, we are proud and happy to know that after all the stormy events only 4.57 percent of Croatian land, or 2.84 of its total territory, is under occupation now. Today, the economy of Zadar-Knin county is presented at this year's trade fair, displaying the developing potential of the liberated areas.

We are convinced beyond any doubt that the remaining parts of the occupied Croatian areas of western Srijem, eastern Slavonia, and Baranja—including Vukovar, the town which is the symbol of resistance in the Croatian war for the homeland—will soon be liberated and will return to sovereign Croatia's economic and legal system. [applause]

We are opening this important economic fair five years after the establishment of the independent and democratic Croatian state. Hence, this is a good occasion to look back to see what we have done in the sphere of economy. Trade fair traditions from which the modern Zagreb trade fair has developed are well known. Trade fairs and shows have always been useful for the general civilizational development of Zagreb on its way to becoming a political, economic, and cultural center of Croatia, despite more or less unfavorable circumstances in certain periods of our history. No less importantly, it served to link various political entities into one economic entity.

Of course, over the past five years since the sovereign Croatian state was established, the Zagreb trade fair—just like our homeland as a whole—has experienced the difficulties caused by the disappearance of the socialist—both Yugoslav and eastern European—markets, and especially by the Serb aggression and the consequences of the war in Croatia and Bosnia-Herzegovina.

Instead of undergoing fast development, the premises of the trade fair have been used for the needs of the war for the homeland. Not even under these war conditions, however, did we allow the postponement or cancelling of trade fair shows. Following a period during which there was a serious fall in the number of the participants, companies, and countries. Already last year we saw a considerable improvement when the number of participants rose to 2,375, compared to 1,357 in 1993. This year, in 1995, there are 2,561 participants: 1,254 are domestic and 1,307 are foreigners, from 49 countries. These figures are coming close to those of the prewar period. In 1989 there were 2,900 participants.

The improvement in the trade fair business is a clear sign of the overall results we have achieved, despite everything, in this short period of time in building the independent Croatian state and introducing the market economy.

Owing to the good national policy, with which we ensured the sovereignty and strength of the Croatian state, the stability of its democratic system, the strengthening of Croatia's international position and reputation, and the achievement of the clear results in transforming the former socialist economic system—the Zagreb trade fair is recovering and increasingly reflecting Croatia's economic recovery and its ever closer links with the world.

This year's trade fair is taking place in uncomparably more favorable state, political, and economic circumstances. We are on the threshold of the complete liberation of the occupied areas of our homeland, and the predictions that the war crisis in Bosnia-Herzegovina is coming to an end and that peace and a new international order in this part of the world—where Croatia is recognized as an important and irreplaceable player—are in sight are increasingly realistic.

Under such changed circumstances conditions for the development are much more favorable then they have been hitherto.

Ladies and gentlemen: In the past five years Croatian state leadership had to find solutions to decisive issues regarding the Croatian nation, its state, and its economy. In the watershed historic period of the collapse of the old international social system in eastern Europe we were faced with the historic challenge of establishing an independent democratic state and building modern market economy. In this respect we ought to recall that neither internal nor external circumstances were favorable for revolutionary changes that were to lead to Croatia's independence. We entered the whole process with a very heavy historical burden. We managed to prevent the barbaric Yugo-Serb aggression from thwarting the gaining of Croatia's independence, but were not able to prevent the consequences of the cruel war—destruction and casualties and all problems and expenses with which we had to come to grips regarding hundreds of thousands of refugees from the occupied areas of Croatia and refugees from Bosnia-Herzegovina.

In the course of establishing our democratic system and strengthening the international position of the sovereign Croatia—which took place under the conditions of the cruel war being imposed on us and with some international players obviously being disinclined toward us—we were able to achieve our goals only by pursuing our extremely wise policy and exclusivly relying on our own people.

Today we have our independent-democratic state as a framework for the full development of Croatia's spiritual and material resources. This framework also encompasses conditions for the return of Croatian people from abroad.

From the very beginning of establishing our independent Croatian state we initiated—and over the past two years speeded up—efforts to build our economic system on the model of a modern market economy. Despite the fact that parallel to this we had to resolve problems of our state security, we have achieved considerable results in building our new state administration and market economy.

We are endeavoring to make the Croatian economic area attractive to domestic and foreign investors, to put the new Croatian business laws as much as possible in tune with the European and world experience. Of course, in this respect we have to take into consideration characteristics specific to Croatia and the protection of our national interests.

The anti-inflation program which we launched in 1993 has given extraordinary, even astonishing results, according to assessments made by international economic experts, creating a stable basis for restructuring Croatian industry. The new Croatian currency, the kuna, was introduced with the program of stability and convertibility and we have managed to maintain it in that way.

It was in this crucially important context that the efforts by the Croatian Government and the Central Bank of Croatia to come up with and maintain a balanced state budget were made.

Over the last five years, Croatia's foreign currency reserves have grown from zero to over $2.846 billion. The convertibility of our currency will help to create confidence among our people both at home and abroad and inspire them to invest their savings in our banks. What is more, we can already cite a number of examples of foreigners saving in Croatian banks because of higher rates of interest. We must preserve stability and low inflation in order to encourage domestic savings and attract foreign investors as a precondition for economic growth and higher employment and for gradually reviving economic activity in general.

As part of our constant concern to be careful with how we spend money from the state budget and by following the example of the free democratic world, we have set up an independent state auditor and Croatian state treasury through which all payments from the budget must be made. The system of state purchases by public tender will encourage competition in the market—this has already resulted in 10-30 percent savings on some budgetary expenditures. For the first time in recent Croatian history, taxes which have been collected are bieng used for the benefit of Croatian citizens and of the Croatian state. The Croatian people are becoming increasingly aware of this. However, we still face the task of ridding the state administration of the legacies of antipopular, bureaucratic burdens.

Ladies and gentlemen, as part of the process of transforming the socialist system we inherited into a free market system, we have had to face the complex problem of privatization. The experience of both the West and East confirm that privatization is a complex and painful process even when carried out in peace, in old states, in established institutions, and in a developed capital market. We embarked on transforming the Croatian economy in extremely adverse conditions, in the light of war difficulties and uncertainties, and at the same time we had to build institutions of a state and market economy. This resulted in decreasing interest among not just foreign investors but also among Croatian people abroad.

Despite all this, we can already see that the process of transformation and privatization has irretrievably changed Croatia's economic system. Thousands of new economic organisms have been created. By setting clear goals, firms have made room for economic initiatives and new forms of business interests.

This created conditions for further developing a new, more effective economic structure. In this process, many omissions and instances of behavior contrary to the objectives of the transformation of ownership and laws were detected. They were partly inevitable, but the Croatian law-governed state has to fight all offenders persistently, preserving everything positive that has so far been achieved in the implementation of the transformation of ownership and privatization.

The transformation of ownership and privatization has been carried out with the intention of distributing socially owned and state-owned property to a wide circle of Croatian citizens. More than 576,000 Croatian citizens have so far become shareholders which, expressed in percentages, amounts to much more than in many developed countries. Through privatization we have given our citizens the possibility to become owners of their apartments and we have also created conditions for better servicing of the housing stock.

Funds realized so far through the privatization of enterprises are in excess of 6 billion kunas, of which 1.509 billion is cash. Of the 2,519 enterprises that have been transformed so far more than 1,190 have been privatized—this primarily refers to smaller enterprises—a further 938 have largely been privatized, while 391—mostly large enterprises—have undergone only partial privatization. Privately owned and largely privatized enterprises today employ around 50 percent of all those employed; they are making a major part of overall profits.

Shares to the tune of approximately 4 billion kunas have been put aside in the Croatian Privatization Fund for the needs of implementing denationalization. Particular attention in privatization has been given to offering concessions and favorable conditions to Croatian expatriates. In the past years, Croats from European and most remote countries—New Zealand, Australia, Chile, the United States, and Canada—have been investing in Croatia. The continuation of privatization and, in particular, the privatization of large tourist enterprises will offer fresh and bigger investment possibilities for all those interested, while special attention will again be given to Croatian expatriates.

When it comes to this, we would especially like to emphasize the fact that for Croatia, irrespective of the importance and size of an investment, the very return of Croatian expatriates is of much greater importance. In order to give this a strong impetus we have set up a separate government ministry headed by a minister who is himself a Croatian returnee from Canada.

Despite our ardent interest, we have not yet completely removed all instances of resistance to foreign investments, including investments by Croatian expatriates. This resistance is both of a legal and a subjective nature. Both have to be eradicated.

When implementing economic and overall state policy, our government must pay special attention to those who suffered most in the Homeland War—war invalids, families of killed defenders, refugees. More than 400 different enterprises have given away free shares worth about 720 million Kunas to invalids of the Homeland War and to families of killed defenders.

We are faced with the task of adopting amendments to privatization laws which should significantly improve the position of small shareholders, include the hardhit classes of the Croatian nation into the shareholding public, improve the sale of outstanding government shares in enterprises, but also improve management of the section of economy where the state continues to be a shareholder.

Our main task within the framework of continuing the program of transformation and privatization is to sort out the inherited situation in large public enterprises, banks, financial institutions, our health service, and pension fund.

Ladies and gentlemen, the consequences of the war and the newly created problems in connection with privatization have affected some groups of Croatian citizens more—primarily refugees, pensioners, and farmers. We are aware of their unenviable position. The Croatian Government has been taking and will continue to take different steps according to the material resources at its disposal to improve their position as soon as possible.

Today, Croatia is looking after 190,000 refugees from Croatia and 182,000 refugees from Bosnia-Herzegovina, which is altogether 373,691 persons, according to data from 24 August this year. More than 120,000 refugees are in the process of returning to newly liberated areas, to their villages and towns. Unfortunately, we cannot also say they are returning to their homes because they have for the most part been destroyed.

The program of broad renewal of the infrastructure and the economy, the construction of new houses, and the reconstruction of damaged houses is also under way which should make the return of refugees as speedy and easy as possible. We are looking for new sources of foreign and domestic funds in order to speed up the reconstruction and development of devastated villages, towns, and entire regions. We believe now is the right time for an all-Croat national fund to which both Croats in the country and abroad will lend money and which will enable the speedier reconstruction and development of Croatian liberated areas.

We have to pay particular attention to pensioners. The difficult position of pensioners has been caused by the overall changes that Croatian society has been experiencing, by unfavorable circumstances whereby the number of employees was reduced to less than a million, with an increase in the number of pensioners to approximately 850,000, and with an increase in the number of unemployed people to approximately 230,000.

It is also important to take into account emergency funding for the setting up of the defense forces and for the homeland war. I personally launched several initiatives in order to improve the status of pensioners and entrusted the government to look into ways of raising pensions. In a stable situation, without inflation, an immediate average rise of five percent would bring an improvement in purchasing power. In comparison with this, German trade unions are currently demanding a 3-percent pay rise from their employers.

Pensions should be increased even more in the immediate future. Being aware of the importance of pensions and the health service for the state and the national economy we are determined to carry out necessary reforms in order to harmonize these important areas with the whole market economy system but in such a manner as to preserve the interests of citizens and to improve the status of the elderly. The inherited system of financing pensions and health insurance through contributions creates a burden on net income of more than 100 percent and is totally inadequate particularly in view of the high level of unemployment which is currently running at around 12 percent.

It does not stimulate new jobs, it is a cause of moonlighting and does not help as far as exports of some of our products is concerned. We must be more resolute when using the experience of others in order to ease this burden. We also need well planned steps in our agricultural policy. The state must encourage production, not only by improving the status of Croatian farmers but also by stimulating family-run farms.

Ladies and gentlemen, the basic Croatian economic problems over the past five years were directly caused by the war which was imposed on us and by the occupation of a significant part of the territory of the Croatian state. That is why the precondition for their resolution is the liberation of the occupied areas of Croatia as well as the establishment of peace in Bosnia-Herzegovina. Owing to the general conditions of war and occupation of Croatian areas, in recent years the Croatian economy was forced to struggle to remain operational and to fulfill the needs of the defense forces in war. Many Croatian economic resources were partially or completely idle because they were near the front and because of the uncertainty of war. In addition to usual business and development problems, Croatian industry, agriculture, tourism, and transport also had to struggle against unforseeable and, for many, the insurmountable consequences of the war and occupation of a significant part of Croatian territory.

Contracts with Croatian plants were often under threat because of war uncertainties and this was particularly evident in our shipyards and in tourism in which we registered only 10 percent of visitors compared with the period before the war. Despite all the events, this year we expect 25 percent more tourists in comparison with the prewar period.

It is realistic to expect a doubling of tourist turnover in 1996 compared with this year.

Croatia used to collect $1.5 billion annually from transport services, sea and air ports, rail and road traffic in the prewar period. And this remained during the war; but Croatia's overall economy was burdened by high transport costs which reduced its competitiveness.

In the 1990-95 period, Croatia set aside the highest proportion of income in Europe for defense. It amounted to over 15 percent of GDP. For instance, European countries set aside 1-4 percent of their GDP's.

Investment in defense shows clearly the magnitude of our self-denial and of the sacrifices made by all Croatian citizens and Croats abroad for the sake of the development and preservation of the [word indistinct] Croatian state and the defense assistance for the Croat people in Bosnia-Herzegovina. The magnitude of the investment in defense shows the strength of our interest in seeing an end to the war and the final liberation of all the occupied territories because this will provide us with the opportunity to channel the entire national energy and resources into the reconstruction and development of our homeland.

We are still in the transitional phase, when political circumstances largely determine economic development. In connection with this, all past developments confirm the rightness of Croatian state policy, from the proclamation of independence until today, from the acceptance of the UN peacekeeping force to the liberation of the Dubrovnik area and Prevlaka, from the Maslenica-Lika operation to Lighting and Storm, from the assistance to the Croat Republic of Herzeg-Bosnia to the Washington agreements on the Croat-Muslim federation and confederation, and to Croatia's role in the current U.S. peace initiative, which came after Croatia's victories changed the strategic balance of power in the region.

In a relatively short period of time, we have managed to resolve fundamental problems regarding the Croatian state: to liberate most of the occupied territories and to become a respected international factor. With this we have created a solid and permanent basis for the full state and economic development of Croatia. By liberating occupied territories of the present-day Croatia, we have drastically changed Croatia's political and economic status.

We have created preconditions for the return of the majority of displaced people; the national wealth has been increased by 10 percent; improvements in some economic areas is of existential importance for some branches of the economy and for the economy as a whole.

By opening railway lines through Slavonia and Lika we have shorten transport links between western and eastern, and especially between northern and southern, Croatia. This encourages business activity and competition and economic activity in all counties because of technically good conditions for transport and the amount of time it takes. The resulting reduction in the cost of road, rail, and air transport varies between 20 and 30 percent. This amounts to a considerable overall savings to the economy and the people.

The position of the Croatian railway has improved considerably by the restoration of railway links and at the same time this has meant economic a revival for the ports of Zadar, Sibenik, and Split. There are indications that these ports will be able to handle between 1 and 1.5 million metric tons of goods annually. This will provide Dalmatian counties and the three southern Croatian ports with foundations for comprehensive economic development. We have finally secured the use of the entire Adriatic oil pipeline, which is of importance both for Croatia and for central Europe. This will eventually result in an increase in the Rijeka port turnover. Negotiations are currently taking place with partners from Hungary, Slovakia, and Austria to start using the oil pipeline at its full capacity of 25 million metric tons of oil and even to increase it to 36 million metric tons annually.

The economic effects of the Croatian Army's operation Storm can be seen in the area of energy production. Following Peruca [hydroelectric power plant] four generating facilities were reconnected to the Croatian energy system: the Obrovac, Miljacka, Golubic, and Krcic hydroelectric power plant. Of special importance for Croatia's energy system and economy as a whole is the liberation of the entire 400-km long-distance power line from Split to Rijeka. This means that Croatia's energy system can operate again as a single entity.

Ladies and gentleman, if before, during the years of hardship, I was right in saying that Croatia's international position was better than ever before, this statement is even more valid today. Today, on the international political and economic scene, Croatia is not just a recognized but also a respected member of the international community. By changing the balance of forces in this region to its advantage, from the strategic point of view, Croatia has become an important factor to be reckoned with by all international powers in their efforts to find solutions for the new international order in this part of the world.

As for our economic situation, it must be stressed that today we cooperate closely with the IMF, we are using the first loans granted to us by the World and European banks. We are expanding our economic relations to include an increasing number of countries. Of course, some countries have still not succeeded in eliminating their unwillingness and reluctance vis a vis sovereign Croatia or to give up attempts to influence and pressure, but the overall situation has been radically changed for the benefit of Croatia.

We soon expect the door to the EU's PHARE [Economic Reconstruction Aid for Poland and Hungary] program to open to us. This will lead to other agreements. It is not only in our interest to ensure that Croatia is accepted to the European Council as soon as possible. However, regardless of state relations and agreements, in reality increasingly vigorous cooperation is beginning to take place between our own and foreign firms and their investment in joint programs.

It is of vital interest to Croatia to continue to build the Croat-Bosniak federation in Bosnia-Herzegovina and to ensure its close links with Croatia in all spheres. It is in our strategic interest, and at the same time our duty vis a vis the Croat people there, to provide comprehensive help in implementing the Washington agreement on federation and confederation. This is also in the interest of the international community, of peace in the region, and of Croatia for geopolitical reasons and, in particular, because it opens up better economic prospects. These are the reasons why, in the firm belief that it will be of lasting and mutual benefit and that it is in line with the interests of the international community, we have already proposed to Presidents Izetbegovic and Zubak, to the leadership of the Republic and Federation of Bosnia-Herzegovina, to link the federation with Croatia into a single economic area.

In comparison with the previous year the Republic of Croatia is now in a fundamentally different but better position. We have a stable internal democratic system and enjoy a firm international position. Croatia has good comprehensive relations with the United States and with the other, most important, countries of the EU, for example Germany and France. At the other side of the world we enjoy developed economic relations with both China and Russia, increasingly good and diverse relations with Turkey and other Islamic countries, and with Israel. We have good relations with all the neighbors, with Slovenia, Italy, Austria, and Hungary, except for Serbia and Montenegro, or rather with what they call Yugoslavia, with whom we are ready to normalize relations on the basis of mutual recognition. This would be of mutual advantage especially with regard to transport links with Europe.

Last year's visit to Croatia by Pope Paul II was important evidence of recognition of Croatia's internal democratic maturity and its contribution to international stability. Croatia has become a stable and respected partner for European and world states. This became obvious in the latest efforts by the international community to resolve the crisis in the region.

All in all, we have created all internal and international prerequisites for building and developing, in all spheres, a modern and prosperous Croatia as a law-governed state, a state of social justice and free enterprise.

This economic exhibition is yet further evidence that we are moving along the right path. I declare the 71st Zagreb autumn trade fair open.

Tudjman Appoints Chief of Military Cabinet

LD1209133895 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 12 Sep 95

[FBIS Translated Text] On the basis of Article 100, Paragraph 1 of the Constitution of the Republic of Croatia, and Article 159 of the Law on Service in the Armed Forces of the Republic of Croatia, the president of the Republic of Croatia appointed Major General Slavko Baric as chief of the military cabinet of the president of the Republic of Croatia. The decision has immediate effect.

Granic Sees U.S. as 'Attractive' Partner

LD1209220595 Zagreb HTV Television in Serbo-Croatian 1730 GMT 12 Sep 95

[FBIS Translated Excerpt] On his second day in Washington, Croatian Foreign Minister Mate Granic held talks with U.S. Secretary of State Warren Christopher. Elizabeta Gojan has the report.

[Gojan] The Croatian-American talks are being held at the most sensitive moment of the newly initiated negotiating process. [passage omitted]

[Begin Granic recording, in English with superimposed Croatian translation] The most important thing for Croatia is the peaceful reintegration of Western Srijem, Baranja, and Eastern Slavonia into its legal system. I think that the upcoming talks will be very important for the peace process. We will extend our full support for the next Geneva meeting. [end recording]

[Gojan] The Croatian side wants the problem of its occupied territory to be solved in a joint package with Bosnia-Herzegovina, on the basis of a global agreement. It is ready to actively participate in the continuation of the negotiations, it supports the U.S. initiative but insists on pressure on Serbian President Milosevic.

The problem of Eastern Slavonia, Baranja, and Western Srijem must be solved by the end of the UN Confidence Restoration Operation's mandate.

As far as the implementation of the agreement on Bosnia-Herzegovina is concerned—especially the most complicated territorial divisions—Croatia will be negotiating jointly with the Bosnia-Herzegovina federation.

Croatia sees an important and attractive partner in the United States, Minister Granic said. [passage omitted]

HSP Urges Military Intervention in Slavonia

95BA0350A Osijek GLAS SLAVONIJE in Serbo-Croatian 19 Aug 95 pp 10-11

[Interview With Anto Djapic, representative in the parliament of the Republic of Croatia and spokesman of the HSP (Croatian Rights Party), by Helena Puljiz; place and date not given: "We Will Return Both Baranja and Eastern Slavonia by Military Means!"]

[FBIS Translated Text] *There is no agreement under which the Serbs would leave Grahovo, Glamoc, and Knin. Croatia will soon be a western nation and we will have major problems with the struggle for Croatian statehood. The HSP is bitter about the existing Law on Citizenship.*

[Puljiz] Have you visited the areas liberated by the "Oluja" [Storm] action?

[Djapic] I believed that it was more suitable on those days not to go down there in front of the cameras, but to try in some way to share the sympathy and pain of those who had someone killed. At the moment of the greatest triumph one should not forget those who are the creators of our euphoria and satisfaction caused by the placement of the Croatian flag on the Knin fortress, so that I spent most of my time at memorial services and funerals. As a Croatian politician I believed that it was more suitable at that time to perform those functions, because the moments of triumph belong to those who achieved the liberation—Croatian soldiers and police.

These days I am planning a "suitable tour," naturally, if I get permission, because it is not easy to go and vanish, and I don't want to impose on or bother anyone. Our contribution to the reintegration of the liberated area will be the preparation of branches of the party which were active in the banishment, although it is too early to talk about that. In this way we will pass through the liberated areas, but I am focusing more on what is happening today in Osijek, Vinkovci, Zupanja, Nustar, and Dubrovnik. I think there will be enough time for festivities and traveling around and I am more inclined to spend this time in Osijek and eastern Slavonia, because I think much of that is just awaiting us there.

But I believe it is necessary that Croatian politicians, both of the HDZ [Croatian Democratic Community] and the opposition, go as much as possible to the liberated areas so that, through their example, they "pull" people to return.

[Puljiz] Is that applicable to representatives of Serbian parties in Croatia as well?

[Djapic] As to the positions of rebellious Serbs in occupied areas, I viewed their departure with great satisfaction because, as I have said all these years, they chose the country and they always had only their objective—all Serbs in one state. This objective of theirs is slowly being realized; they have deceived themselves only in the calculating. They thought that it would be Serbia up to Karlobag, Karlovac, and Virovitice, but I assure you, and I am fighting and working for this, that in the end it will be a Serbia of the greater part of the Belgrade pashadom. Everything is going in that direction, and because of this stand part of the Croatian public has often labeled us as extremists, but it has been shown that our conception is correct. I'm not politicizing the victory of the Croatian Army, but in the political sense this is the realization of a program that the Croatian Rights Party has supported.

The Chetniks Should Have Built What They Destroyed

The departure of part of the Serbs from Croatia should be welcomed, in that I did not graciously observe the departure of those with rifles in their hands. To be sure, those thousands of chetniks should rebuild in Croatia at least a part of what they destroyed, but I somehow figure that we can do everything even without them. Let them go the way they chose for themselves. For me it is unacceptable to create a climate so that conditions should be created for them to return, through claims that the liberated territory is uninhabited. Let's leave it be; those are minor problems and it is now a pleasure to see that country!

It's beautiful country and I believe that, with the right program and the investment of Croatian capital, we will revive the liberated area, and how. The area is open for the opening of new work places and the return not only of the refugees but also part of the Croatian diaspora. It is most important that we establish legal order on the whole territory of the Republic of Croatia, and whether one area is momentarily more or less settled is, at the moment, irrelevant for us. I am satisfied with the results of our victory, but still more satisfied with the decision of the Serbs to leave Croatia voluntarily, without any kind of force. They left with many tractors and automobiles, stolen as a rule, but let them take them because, as they say—what is someone else's, is cursed! They have followed their leaders and ideas going back 150 years, and I have said before, and I am saying now, that part of the Serbian national minority in Croatia was a tumor that, in the past 100 years, systematically prevented the consolidation of the Croatian people and the formation of a Croatian state.

[Puljiz] Several days ago, in an appearance on a television broadcast, you affirmed that Croatia must find mechanisms by which to prevent the return of Serbs who left the country after the "Oluja" action?

[Djapic] With the uproarious celebration of the departure of the Serbs, and when we speak about Serbs we are not speaking about people who stayed, but about rebels, I am warning that another danger is now threatening Croatia if we do not carry out a firm and decisive policy. After the "Oluja" action, there followed the unseen banishment of Croats from Vojvodina, Backa, and Srem, historical ethnic Croatian territories, and then from the area of Banja Luka too—if you make a "cross," you will see that Banja Luka is the center of the Independent State of Croatia. In Croatia no one has driven out Serbs, and although I say that I am satisfied that they left, I would have respected their wish had they stayed. I have never been an advocate of the Constitutional Law on Minorities and I have attacked it countless times, but I would respect it until it is changed by some future majority in the Assembly. As a party we are legalists, and although we do not like many things in the Constitution of the Republic of Croatia or other laws, we must respect them; otherwise we would not be what we are. However, driving out Croats from Banja Luka and Vojvodina, areas that have continually belonged to the state of Croatia historically, both as to statehood and to law, is a crime, but we shouldn't complain about it much. With Milosevic this is the most normal occurrence and now we should accept those people and, without panic, dramatizing, and complaining, create preconditions for the final objective—that this will also be Croatian territory, or to give Serbs in Croatia the same rights that Croats will have in Backa and Srem.

As to the "return" of those who left after "Oluja," intervention is necessary in the Law on Citizenship and the Law on Confiscation under which all property would be taken from those who do not return within a specified period and who participated in the aggression against Croatia!

We are bitter about the existing Law on Citizenship, under which practically anyone can obtain our citizenship without a problem.

[Puljiz] What would you change?

[Djapic] Primarily the clause that it is sufficient to live in Croatia five years, continuously, in order to obtain citizenship. That's comical and doesn't exist anywhere in the world.

All those who have left Croatia lost the right to Croatian ctiizenship, because they decided against this state. Croatia must either change the existing law or create a new one, under which at least some time period is specified within which one must return. but this period must be very short.

If one does not return within that time period, one loses the status of Croatian citizen, as do those who fired on Croatia.

To Be a Serb in Croatia Can No Longer Be a Diversion

The regulations of the Law on Citizenship must be sharply tightened; otherwise, we will have a situation where all those who, after driving Croats out of Vojvodina, will not be able to settle will return surreptitiously to Croatia and again create major problems.

In the areas in which they committed crimes, there is no life for them anyway and there, in my opinion, they should be boycotted in every respect by the Croatian majority. This is a defensive mechanism, because we cannot allow the same thing to happen again in 50 years. Moreover, it is necessary to forbid the operations of the Serbian Orthodox Church in Croatia.

[Puljiz] Why?

[Djapic] Because it was the basic motivator and lever of what was done in Croatia and because it was, and is today, the loudest supporter of the war option against Croatia. We cannot allow such an institution, which has no connection with religious orientation and evangelism, to teach Serbs in Croatia that the Serb is not consecrated until he is avenged. In Croatia we must found a Croatian orthodox church and I know why individual, so-called Serbian leaders in Croatia have mostly jumped at this idea of ours—they know that, with the elimination of such religious connections with Belgrade, the problem of the Serbian minority in Croatia would be solved.

Croatia will soon be a rich western country and we will have major problems with the struggle for Croatian citizenship, and so we must now create protective mechanisms. When the Law on Citizenship was passed, it was indeed a compromise for the Serbs, but it is time for a change.

With us certificates of domicile have been distributed generously and we are aware that rights attained cannot be easily destroyed nor can this be hurried; however, this must be stopped in the future. The constitutional law must be changed in its entirety, because no one can have greater rights in Croatia than Croats and we are glad that one can see in the ruling party that changing this law will be undertaken.

We will support this wholeheartedly, because all Croatian citizens are equal, all have the same rights and the same obligations, and the time has finally come that the Serb in Croatia cannot be a diversion and that must be clear to all.

[Puljiz] You stated that the time period for the return of Serbs who left Croatia after "Oluja" must be shortened. How long should that time period be?

[Djapic] I think that 60 days in all is enough for someone to return, but as far as the HSP and I are concerned, they shouldn't return at all and they are not welcome. An intensive, thorough police investigation, and appropriate court proceedings, should be carried out for those who decide, nevertheless, to return within the given period.

When they understand that where they went milk and honey are not flowing, they will want to return, but we must prevent this in any case, because if we don't prevent it we haven't accomplished anything.

[Puljiz] How do you comment, after "Oluja," on the ever louder statements that the president of the republic has agreed with Milosevic on the division of Bosnia-Herzegovina?

[Djapic] Our views on Bosnia-Herzegovina have always been clearly stated and I am glad that Croatian policy today has come to the position of the Split declaration and it would not be good at this time to dig up what one has done before. The current policy on Bosnia-Herzegovina completely satisfies the members of the Croatian Rights Party in the nation-building sense, because the Split declaration is what we see at this time, and we are proceeding accordingly. I am not a follower of those who interpret every move of president Tudjman and the Croatian government with suspicion and distrust.

The Serbs Would Not Agree To Yield Glamoc, Grahovo, and Knin

I know the Serbian mentality very well and there is no agreement under which the Serbs would yield Glamoc, Grahovo, and Knin.

It would be the same thing for us to surrender Dubrovnik or Osijek. There is no theory that they would be cut off from those areas, even if they agreed on this. At this time there is in effect a military alliance of the Croatian Army, the HVO [Croatian Defense Council], and the Army of Bosnia-Herzegovina, which is showing brilliant results, and we expect that they will still be better.

I personally do not believe in some division; however, situations are forcing certain positions on us. They have criticized us for not being in Sarajevo for the signing of the Sarajevo Declaration, but the answer is very clear—the plan of the Contact Group means in essence the division of Bosnia-Herzegovina and we could not support that. It does not occur to me to accept it, or the definition of Bosnia-Herzegovina as a state of three constitutive peoples, because this would be a Tito "creation." If the Serbs accepted the plan of the Contact Group, they would get out of this war, although defeated, as victors, because they would nevertheless spread by what never belonged to them. Only one square meter on the other side of the Drina would mean a victory for Serbia and, therefore, we expect that the Croatian leadership, and we know the clear views of the government of Bosnia-Herzegovina, will not go for the division of Bosnia-Herzegovina because the division of Bosnia-Herzegovina is not at all suitable for us strategically. We must just continue what we've begun and, after the liberation of Drvar, Vakuf, and Jajce, proceed to Banja Luka. I am convinced that the defeat of "Serbia Up to the Drina" will be complete with the crushing of the so-called army of the so-called Srpska Republic in Banja Luka and that both the Croats and the Bosniaks will return to Banja Luka.

[Box, p 4]

Without a Secure Hinterland Osijek Is a Dead City

[Puljiz] At one time you said that the liberation of Knin would signify the moral victory of Croatia, but that the key to the solution is hidden in eastern Slavonia?

[Djapic] When we spoke at the beginning about the areas liberated in "Oluja," I said that I was in Osijek that whole time, because it was most appropriate for me as an Osijek person to be there. Let's not forget that most of the refugees are temporarily from the areas of occupied Baranja and eastern Slavonia and that this is the most fertile part of Croatia. That is a part of Croatian land mainly because of which the Serbs began the war, naturally, with the aspiration of reaching the sea. The end of this war, when the Croatian state makes a full circle, must be for Croatia to reach the Danube, because Croatia is a Danube land, as well as a Mediterranean one. The Danube is very important for the lives of all of us, and especially Slavonia; Osijek is a dead city if it does not have a secure hinterland, and that is a free Baranja and a free Vukovar. Osijek must be very strong tomorrow and a modern Central European city, as it always was.

There is no doubt in Croatian policy that this part of Croatia will return to the motherland.

[Puljiz] Do you think that this area must be reintegrated by military means?

[Djapic] There is no other way. At one time I said that I would withdraw from politics if even one square meter of Croatian territory is returned by peaceful means. The return of Slavonia and Baranja by military means is the best way for us, because the way we went based on the plan of Z-4 says that some five years would be necessary, and we don't have time. It is unthinkable to me that people in Nustar must live with "neighbors" from Brsadino who destroyed their homes. The best solution is military, naturally, with an invitation to the Serbs to stay, but that after they depart there will be no more return for them.

When we said at one time that the occupied areas must be returned by force, a great part of the people on the Croatian political scene did not understand what we were saying at all. This was not any kind of war provocation, but someone in the Croatian people always had to "heat up" that concept that will sometime come to realization in the end. All the others were only gaining time.

[Box, p 5]

Either Bow Down or Get Out of the Way!

When we speak about the message to Serbs in Croatia, we fully support what the president of the republic said on the day the "Oluja" operation began. The message was very clear—you can continue to live in Croatia if you respect the rights and obligations that are guaranteed to you or another method will be applied. The principle of our program, as to the position of Serbs in Croatia—either bow down or get out of the way!

[Box, p 5]

Prevent the Activities of the SPC [Serbian Orthodox Church] in Croatia

The provisions of the Law on Citizenship must be sharply tightened; otherwise, we will have a situation where all those who, after driving Croats out of Vojvodina, will not be able to settle will return surreptitiously and again create major problems.

In the areas in which they committed crimes there is no life for them anyway and there, in my opinion, they should be boycotted in every respect by the Croatian majority. This is a defensive mechanism, because we cannot allow the same thing to happen to us again in 50 years. Moreover, it is necessary to forbid the operations of the Serbian Orthodox Church in Croatia.

Eastern Slavonia Weapons Withdrawal Viewed

Akashi: Withdrawal 'Significant'

AU1209145795 Paris AFP in English
1428 GMT 12 Sep 95

[FBIS Transcribed Text] Zagreb, Sept 12 (AFP)—Croatians and secessionist Serbs began a "significant" withdrawal of heavy weapons in eastern Slavonia, eastern Croatia, UN special envoy to the former Yugoslavia Yasushi Akashi said Tuesday.

Withdrawal of weapons from eastern Slavonia, the last remaining Croatian territory in the hands of secessionist Serbs, should be complete on Wednesday at 5:00 p.m. (1500 GMT), a UN spokesman added.

The two sides agreed to withdraw weapons and place them in depots controlled by the United Nations under a cease-fire agreement signed August 25.

The Croatian army recaptured the rest of the Krajina region held by secessionist Serbs in a lightning offensive in August.

UN Military Spokesman Comments

AU1209183195 Paris AFP in English
1820 GMT 12 Sep 95

[by Sonia Bakaric]

[FBIS Transcribed Text] Zagreb, Sept 12 (AFP)—The Croatian army and secessionist Serbs should be finished putting their big guns in Eastern Slavonia under UN control within the next few hours, the United Nations said Tuesday.

The collection of artillery and mortars is to be finished by 5:00 p.m. (1500 GMT) Wednesday, according to the terms of a peace agreement signed on August 25 for the region, where there remains a risk of conflict between Croatia and Serbia.

Commander Tim Roy, a military spokesman for the United Nations here, could not say how many guns were involved but said that the number was "serious."

Yasushi Akashi, the UN special envoy for the former Yugoslavia, said he was "satisfied" with the movement of equipment thus far.

The implementation of the agreement would be the first tangible sign of a real peace in Eastern Slavonia, which Croatian President Franjo Tudjman said Monday he wanted to see quickly recovered from Croatia's rebel Serbs.

The territory still under Serb control, about 4.57 percent of the country, was captured by the Belgrade-backed rebels in six months of vicious fighting in 1991.

The other two sections of Croatia held by Serbs in an abortive self-proclaimed independent republic was retaken in a lightning offensive in early August.

The United Nations believes it must act fast in Eastern Slavonia to head off a possible conflict between Serbia and Croatia should Zagreb decide to retake the region by force.

"We are in a hurry," Akashi said early Tuesday.

Fear of new fighting was revived following the failure of peace talks in Geneva even to put the issue as a top priority. Croatia had asked that it be linked to the conflict in Bosnia, but this proposal was rejected.

Croatia has said that the United Nations has until November 30—when its mandate ends here—to return Eastern Slavonia to Croatian control peacefully.

UN Spokesman on Refugees in Knin UN Barracks

LD1209191795 Belgrade TANJUG in English
1846 GMT 12 Sep 95

[FBIS Transcribed Text] Zagreb, Sept. 12 (TANJUG)—U.N. Spokesman Christopher Gunnes told a press conference Tuesday that negotiations resumed with the Croatian authorities about the fate of Krajina Serbs who had sought shelter in the U.N. peace force barracks in Knin in face of Croatia's aggression.

Gunnes added that U.N. officials were agreeing to ways of control and following of judicial procedures against the Serb suspects.

Out of the 749 Krajina refugees, the Croatian authorities put on the list of suspects 62 Serbs, who, as learned, were branded as war criminals only because they are fit for army service.

The Croatian authorities have not honoured an agreement signed with the U.N. on August 6 that valid documentation should be enclosed with the list of suspects.

The U.N. peace force command has been brought to close quarters lacking time because U.N. peacekeepers are scheduled to leave Krajina by September 20, when the refugees at the U.N. base in Knin would be left to the 'justice' of the Zagreb Government.

Karadzic Remarks on Fall of Bosnian Town

LD1209224795

[FBIS Editorial Report] Zagreb HTV Television in Serbo-Croatian at 2105 GMT on 12 September, in its "Picture vs. Picture" program rebroadcasts Bosnian Serb Television reports on the situation in and around Sipovo, and statements by Bosnian Serb leader Radovan Karadzic. The program opens with an unidentified Croatian television announcer saying: "Chaos reigns among the Bosnian Serbs. This can be seen from their reports about the Croat Defense Council entering the Sipovo area this evening [as heard]. First they claim that they are in control of this town, and that Croatian television is lying; and then Karadzic denies this in the same cast."

A Bosnian Serb Television report, timed 1500 [1300 GMT], dated 12 September, is then shown. An unidentified correspondent states: "Fierce battles are raging on the Kupres sector of the front today. Croatian artillery is shelling the wider Sipovo area. Beginning last night, until 1500 today, when we entered Sipovo, not a single shell fell on the town itself. The Croat forces are using long-range artillery from the direction of the temporarily occupied municipalities of Kupres and Glamoc. If they really want to threaten Sipovo, they will have to come a bit closer.

"The defense lines are stable, and fresh soldiers and weapons are arriving hourly. Soldiers—aware that the enemy, with the help of NATO planes, wants to enter deep into the Serb territory—are determined to defend the southern borders of the [Bosnian] Serb Republic."

An unidentified Bosnian Serb Television announcer then states: "Croatian television announced just an hour ago that the Croatian Army entered the town of Sipovo, 17 km from Jajce. But pictures which you will see very soon show that the opposite is the case: Neither is Sipovo 17 km from Jajce, but 22 km; nor have ustashas entered it."

Then a recording of remarks by Radovan Karadzic at a news conference is played. He states: "I want to say that people have moved only from Sipovo, and only to Jajce and Mrkonjic. We cannot allow them to, and they should not, move anywhere else because we want to return to Sipovo, just as we want to return to Glamoc and Grahovo. Sipovo is an immediate prospect, while we will enter Glamoc and Grahovo when we liberate them."

The Croatian Televsion announcer then states: "Later, in his lengthy address to the nation, Karadzic was even more explicit:"

Karadzic is then shown sitting in a studio, saying: "We are very naive people. On the other hand, we should become an orderly nation. Order means that decisions can be made only by the war presidency president on behalf of civilian authorities, and the local unit commander on behalf of military authorities, and that only those two together can make a decision which would lead to the movement of people.

"We will make the decisionmaking process regarding the movement of people even more complicated. Neither the war presidency president nor the local unit commander will be able to make a decision on a possible evacuation of civilians, but only these two together, and in writing, and then someone from the state leadership, the republican president or speaker, will approve this. Only then can people be moved.

"I would like to recall here that there was no need to leave Sipovo, because if the people stayed, it would be easier to defend Sipovo. Now Sipovo is in no-man's land. Our lines are positioned in front, that is, behind. Examples of many towns show that where people stay, and where people decide to defend the town, then the town can be defended."

At this point the program ends.

Vukovar Mayor: Slavonia Never Belonged to Serbia

LD1209135295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1110 GMT 12 Sep 95

[FBIS Translated Excerpt] Erdut, 12 Sep (TANJUG)—The change of name of Eastern Slavonia, Baranja, and Western Srem to the Srem and Baranja Region is based on historical facts showing that the Serb nation has lived in Srem and Baranja for centuries, Vukovar Mayor Slavko Dokmanovic said in Erdut today.

Dokmanovic, who is also chairman of the newly formed Council of the Srem and Baranja Region, said that Srem and Baranja have never been parts of Croatia, while on the other hand Slavonia has never been part of Serbia.

"When, at the beginning of the war, we included Slavonia in the name of the region we meant those parts of Slavonia which were populated by majority Serb population," Dokmanovic said. [passage omitted]

Police Raid Offices of Serbian Party in Skopje

LD1209172295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1607 GMT 12 Sep 95

[FBIS Translated Excerpt] Skopje, 12 September (TANJUG)—The Macedonian police this afternoon entered the premises of the Democratic Party of Serbia [DPS] in The Former Yugoslav Republic of Macedonia [FYROM] without a warrant and warned the party leadership to remove photographs of Slobodan Milosevic, the president of the Republic of Serbia, and all national heroes of Serb history. A deadline of two days was given for the removal of these photographs.

As DPS Chairman Dragisa Miletic told TANJUG today, the verbal order to remove "inappropriate" photographs from the walls of the party offices now, several years since the registration and beginning of party activity, can only be interpreted as a fresh provocation by the local authorities. Miletic said that this move was the continuation of a campaign of intimidation against Serb nationals in this new Balkan state.

Miletic was recently taken in by the Skopje police for questioning because of unfortunate correspondence with foreign, primarily American, diplomatic missions in Skopje in connection with the latest events in Serb Krajina. [passage omitted]

The Serb party, as Miletic told TANJUG's correspondent, was sent a written order a few months ago saying that it was not allowed to use the insignia of a foreign state if these were not in accordance with the laws of FYROM, but outside the premises. Today's warning indicates that this ban also refers to the closed offices of the Serbian party.

The leadership of the party notified representatives of the OSCE, the media, and their own government of today's police raid.

President Walesa's Address to Nation

LD1309091795 Warsaw Polskie Radio First Program Network in Polish 1800 GMT 11 Sep 95

[Address to the nation by Polish President Walesa in Warsaw on 11 September—live or recorded]

[FBIS Translated Text] Ladies and gentlemen, our fatherland is approaching an important moment. We are going to elect a president. The nation, which in a democratic country is the ultimate decisionmaking body, will speak its will—the nation, that is, each one of us, free citizens of the Polish Republic.

This will be the second presidential election in our independent fatherland. It will decide who will hold the highest office in our country and, above all, what kind of state we shall have at the threshold of the 21st century. Will it be the Third Republic, or will it be the Second Polish People's Republic? Will Poland be a country of significance in Europe, or will it be marginalized in a gray area?

There was a time when we were unanimous on this fundamental issue, when we were one, when Poles were in solidarity and Solidarity was Poland. History then made me face yet another trial of strength. The nation entrusted me with the presidential office. I had to take the burden of responsibility on myself. It was necessary to serve in the name of our hopes. After all, Solidarity, which caused the rebirth of free Poland, was above all our hope—hope for our own fair and safe state, hope for a dignified, sensible, and more successful life.

The time of unity is gone. Such is the nature of things. In a normal society, constant unity is impossible and not right. But the time of hope has not ended. In the past five years, Poland has changed for the better. However, Poland still is not a country in step with our needs and dreams. That is why I fulfill a public duty for the nation and for the fatherland.

Whoever takes over the rudder of the state after the election will have a difficult time ahead of him. He will encounter reefs and shallows, big problems and big dangers. Five years of my term of office and a dozen or so years of earlier struggle taught me that, when one takes on responsibility for Poland, one must take into consideration unexpected crises. They can be stormy and sudden and must be dealt with immediately. If the skipper fails, a catastrophe will strike the whole ship.

My term of office was a sea passage through a storm, but it also meant getting to know our needs and capabilities. I know precisely today what the state of our country is and which hopes have yet not been fulfilled.

First, the hope of a state for the citizens rather than citizens for the state has failed to materialize yet. Under the communist government, for nearly half a century, we were the slaves of a political system and not free citizens. Today, when the old order is coming back, we are in danger of sinking again in the swamp of old thinking and old systems. The state is preventing its citizens from becoming masters of their fate. The state wants to decide for us, to organize our lives, and to spend our money. The state continues to decide about our incomes because it is still, just as under communism, the owner of a large part of the economy.

The state does not want to give property to its citizens, and it refuses to give them back their land, their factories, and their tools. Large-scale and really universal privatization is still an unfulfilled hope. The state decides for us who we shall be in life. Some are given a chance by the state to take part in privatization; others are not. Some are given concessions, licenses, and tax relief; others are not. The state does not reform schools and does not universally educate our children on how to be enterprising. The knowledge of management can only be gained privately and only by those who can afford it.

Several governments have fought unemployment—rather ineffectively. They do not allow people to believe in themselves. Those living in the countryside are condemned to a feudal bond with the land, without new prospects of earnings. Our pensions and annuities depend on bureaucrats. They decide whether to increase them or to decrease them, whether to index-link them to prices or to wages. And this, after all, concerns our labor and our savings. These savings should earn us interest and not be alms from some generous minister.

Officials also decide how to spend our money. Even the poorest have to give back 40 groszy for tax and insurance from every zloty they earn. The taxes are necessary because they provide for our national needs, but we see that many people are dodging taxes without consequences and our money is wasted causing acute shortages of funds at schools, hospitals, courts, and police stations. We also see how much is spent by offices, by poor organization and through ordinary neglect.

That is why I am convinced that the fate of Poland must not be hampered by bureaucrats. We must make sure that this does not happen.

Second, the hope for a just, efficient, and reformed system of a democratic authority has not yet been fulfilled. State institutions must be universally accessible and responsible to citizens. A clear separation and balancing of the legislative, executive, and judiciary power is needed so that they do not obstruct one another and are able to react quickly to needs and threats.

The powers of local self-governments must be increased, and communities must be allowed to do their work in their own areas. Public offices today are openly used for party needs. The Polish People's Republic has been moving into them again in the form of cliques and gangs. The ruling coalition has been trying to increase parliament's powers at the cost of the president and tribunals. Particular parties have been nominating their own candidates for president, adding even this office to their party games. These actions are aimed against democracy because a good political system must be a balanced one.

Different centers of power must participate when important state decisions are made, and the judiciary must assume the role of an arbitrator. This must be regulated in the new constitution. Care must also be taken about efficiency that ensues from decentralization. We need a state of local, economic, and vocational self-governments. A single group will not be able to take advantage of and subjugate such a state.

That is why I am convinced that the citizens' state, just and balanced, is still an unfulfilled hope. Democracy should proceed downwards and be effective. We have to see to it.

Third, the hope for Poland to become a safe country, both in the streets and borders, has not been completely fulfilled. Much too often we feel threatened. Thieves reach for our property with impunity, criminals strike at the peace of our homes and families. The police and the judiciary must be given better and more efficient laws as well as financial resources. Corruption and ever-more powerful mafias must be destroyed.

Poland today is not threatened from the outside. However, we must be vigilant. We must strengthen our country's security and defense capability. We have legally settled and friendly relations with all of our neighbors, to which I had a chance to contribute to a large degree. This is not enough. We must energetically strive for membership in NATO and the EU. At the same time, Poland should be interested in good relations between the West and Russia. Poland should develop cooperation with our eastern neighbors as well as regional neighbors. To undermine this understanding of the security strategy of the Third Republic is nothing but political adventurism.

I am convinced that a safe Poland means Poland with strong laws and a Poland anchored in Europe. We have to see to it.

And fourth, the hope for distinguishing good from evil in the life of the country and the people is still waiting to be fulfilled. Public life cannot be separated from morality. Without morality the state order cannot be imagined. During the years of communist power, we were persecuted by a conflict between personal morality and state ideology. You had to conceal your faith and God—there was no place for them beyond the church and partially beyond the home. Today we are trying to change this, to bring back harmony. Extremist stands resulted in the feeling that some people often feel discriminated against. We should agree that the principles of the Ten Commandments, on which European civilization is built, can and must be considered a beacon for people living in society. We should agree that a state without morality is only a lifeless skeleton.

I am convinced that the Ten Commandments—that is, truth, solidarity, and justice—are as important for the nation as economic development. We must be faithful to these values, and we must protect them.

Ladies and gentlemen! Your hopes have not yet been fulfilled. And they could not have been: Five years is much too short a period for such great plans. We also made many mistakes. Quite often we did not know what to do; often we were limited by a mess on this great Polish construction site. But we also have great achievements, achievements that are admired by the world. But we were able to proceed with determination and great effort. Despite difficulties, we managed to keep our course. We followed our dreams and hopes.

Now this direction is undermined. Questions are being asked about the sense of the past five years, which turn us back to the starting point.

When you go to cast your vote, remember that the president is responsible for the direction. Not for concrete solutions—the Constitution gives responsibility for those to parliament and the government. In electing a president, you will decide in what kind of state you want to live. You will decide whether you want to persevere on the road to which we won the right, united in Solidarity, and that brought about freedom and security to many nations.

Remain faithful to the hope!

Ministry 'Disturbed' by Yeltsin's NATO Remarks

LD1209211395 Warsaw TVP Television Second Program Network in Polish 1900 GMT 12 Sep 95

[Relayed via TV Polonia Network]

[FBIS Translated Excerpt] The Polish Foreign Ministry is disturbed by the statements by President Boris Yeltsin on the withdrawal of Russia from "Partnership for Peace" in the case of further bombing of Serbian positions and also of a possible war in the case of the widening of NATO. [passage omitted]

The Polish stance on the widening of NATO remains unchanged, in the view of Foreign Minister Wladyslaw Bartoszewski. Our Foreign Ministry feels that it is necessary to build a new architecture of European security between the states belonging to the North Atlantic Pact and the remaining countries—Russia, among others.

[Begin Bartoszewski recording] Perceiving the North Atlantic Alliance in Cold War categories, as a military bloc, directed against anyone at all is not only erroneous but also must arouse unease. [end recording]

Asked by journalists about the government's stance toward the statement by President Yeltsin, Prime Minister Oleksy said that the government will not concern itself with this matter, whereas the statement by Minister Bartoszewski was for him clearly a surprise.

[Begin Prime Minister Jozef Oleksy recording] Minister Bartoszewski is a member of the Government of the Polish Republic and coordinates foreign policy, and he speaks in the name of the government. [end recording]

Government press spokeswoman Aleksandra Jakubowska said that earlier the prime minister knew the stance of the Foreign Ministry but did not know the statement by the minister. That was why he could not comment on it.

[Begin Jakubowska recording] As regards the various variants that are arising on the subject of euro-atlantic structures, they are being carefully observed by the Polish Government, but this in no way changes the fundamental assumptions and strategies in attaining these aims. There is a euro-atlantic direction as regards the European Union and NATO, and, apart from that, I wish to recall that in NATO there are 16 equal states and that it is they that will make the decision about who will be the next member of NATO. Albeit it is necessary to remember—and Prime Minister Oleksy and the government have been speaking of this for a long time, and decisively, for the first time in Brussels—that it cannot be permitted for Russia to be isolated. [end recording]

The Foreign Ministry's stance was also supported by the Chancellery of the president of the Republic.

Daily on Consequences of Delaying EU Expansion

WS1209135895 Warsaw ZYCIE WARSZAWY in Polish 12 Sep 95 p 1

[Commentary by Krzysztof A. Kowalczyk: "CEFTA, or the Waiting Room"]

[FBIS Translated Text] West Europeans have long recovered from the collapse of the Berlin Wall and no longer look at their eastern neighbors with a thrill. Instead of opening their gates wide, they have begun counting. Their calculations show that there is no way they could benefit from accepting us into the EU. They give ever more distant dates—most recently the year 2010.

We thus face the real threat that the Central European Free Trade Association [CEFTA] will become more than just a stopover on our journey to Brussels. We might have to spend quite some time there, perhaps as much as 20 years. By then, will it not take on a more institutionalized shape, reminiscent of the EC, for instance?

Oleksy's suggestion of removing all barriers in the way of the flow of capital, services, and people sounds appealing. It does, however, indicate that our country is seriously considering the possibility we might be stuck in the waiting room. Weaker countries such as Slovakia feel they do not stand a strong chance of joining the EU. They thus hope CEFTA will become firmly established. Stronger states like the Czech Republic are not keen on forming a leadership structure to head the trade bloc because they believe they can get to Brussels more quickly if they travel alone.

Putting these fears aside, we will see that lifting customs boosts mutual trade and, thus, the economies of our countries. This heartens the neighbors who hope that the ties that vanished together with CEMA will be renewed. That is why there is a long line of countries waiting to join CEFTA: Slovenia, Romania, Bulgaria, and Lithuania. The waiting room is getting crowded.

Gasoline Smuggling Across Border Continues

AU1209152495 Bucharest ROMANIA LIBERA in Romanian 4 Sep 95 p 17

[Article by Marius Apostol: "The Smugglers Are Working Nonstop"]

[FBIS Translated Excerpt] The press has repeatedly reported on violations of the UN embargo against Yugoslavia (Serbia-Montenegro). In order to investigate this phenomenon better we visited the city of Pozarevac, 80 kilometers from Belgrade and 24 kilometers from the Danube (Velico Gradiste), on the Serbian bank of the Danube. In the few hours spent here, we were able to note unusually heavy traffic of trucks, tanker trucks, and automobiles mainly coming from west and northwest of Pozarevac. If, for us, this was something unusual, for the native inhabitants, it was business as usual. [passage omitted] Our next stop, Veliko Gradiste, was overcrowded with "gasoline buyers," who rallied here from all parts of the country. In the eastern part of the city, near the Danube dam, we saw people unloading gasoline canisters from a barge recently arrived from the Romanian bank of the river. [passage omitted] In another town visited, Golubac, we counted scores of tanker trucks and heavy trucks involved in the transfer of gasoline canisters from a Romanian barge. [passage omitted]

For a distance of approximately 50 kilometers between Velico Gradiste and the Serbian bank across from the Romanian town of Berzeasca, a whole national road was turned into a motorway and the localities became cramped overnight, as if the seaside was there. It is from there that the gasoline is being loaded onto trucks and then reaches all corners of Serbia. [passage omitted]

We learned that the police and Financial Guard are intensifying their efforts on the Romanian bank of the Danube. Let us wish them luck!

UDMR's Marko Criticizes Education Law

AU1309104295 Bucharest ROMANIAI MAGYAR SZO in Hungarian 5 Sep 95

["Text" of speech by UDMR Chairman Bela Marko in Odorheiu Sacuiesc on 2 September: "Two Million Complaints, Accusations, and Hopes"]

[FBIS Translated Text] Esteemed Forum! Esteemed People Present! Hungarians from Szekelyudvarhely [Odorheiu Sacuiesc], Szekelyfold [Szeklers' Land], Transylvania, and other areas of Romania!

We must now raise our voice in the name of 2 million people. We must now speak for those who are often forced to struggle alone with the everyday problems, who carry depressing burdens alone, and alone try to get out of the material and intellectual poverty.

Two million complaints, desires, hopes, and wills have called us here today. Just as diversity is a basic human right, it is also a human right to form a community, to talk to one another in the language that we received from our mothers, which connects us because we all express our happiness or sorrow in the same way, using the same words. We are diverse, think diversely, but we express our thoughts in the same language and we all feel at home in the same culture and same traditions.

This is the language of Sandor Petofi and Janos Arany [19th century Transylvanian Hungarian poets].

The language of Janos Csere Apaczai, Sandor Csoma Korosi, and Janos Bolyai [19th century Transylvanian Hungarian scientists].

We have established values here in Transylvania, in this language, this community has created art and science of European fame, raised churches and schools and a multitude of towns and villages, and we have formed this land over many centuries in such a way that it is now inseparable from us. In addition to today's people having called us to come here, to Szekelyudvarhely, we are also called by our predecessors—scientists, priests, discoverers, schoolmasters, and peasants, our predecessors of all ranks, who left us this heritage and now, when we see this heritage endangered, we must also speak for those who can no longer speak.

Just as we must also speak in the name of those who cannot yet speak, in the name of our successors, the future generations, because it is mainly for them that we have gathered today.

So we are all together, we are symbolically together with all those with whom we form one community.

It is not a special merit to be Hungarian, just as it is not a merit to be English, German, French, or Romanian; nationality is the individual's natural attribute and heritage and it does not make anyone better or worse than anyone else. In fact, everyone is free to decide what he calls himself and this choice cannot be questioned by anyone; no one else has the right to interfere in the way an individual or a community wants to preserve its language and culture or in what kind of school it wants to have its children taught morals, humanities, and sciences.

Today, to be a Hungarian, to accept this natural attribute, also means the acceptance of tasks in this country where we are at home but where many do not want us to be at home.

Nevertheless, we, and no one else, have the right to decide on our own fate, as long as we do not violate or limit anyone else's. The Hungarians of Romania have been asking for this much, for this right of self-determination. All the demands that we raise in connection with education in the mother tongue and the institutions of mother-tongue culture are based on this principle. We imagine a future for ourselves and others in this country in which national or linguistic belonging is not a disadvantage for anyone and everyone can freely speak in the land of his birth.

This land where we live together does not belong to this or that individual, but it naturally belongs to all of us.

We are not subtenants here, either, and just as we appreciate and want to appreciate the national feelings of the Romanians, just as we consider their language and culture to be values, we expect respect for our national feelings, language, and culture.

For almost six years now, the Democratic Union of Hungarians in Romania [UDMR], the representative organization of the Hungarians' interests, has tried to assert its intentions by means of sober-minded and considered reasoning, political action, dialogue, and joint action with Romanian democrats, in the belief that even our many bitter experiences do not entitle us to give up hope in democracy and an historic conciliation. The Declaration of Gyulafehervar [Alba Julia] 77 years ago, in which the Romanians, rather than us, committed themselves to our autonomy, remained an empty promise. In the same way, the January 1990 Declaration of the National Salvation Front has also remained an empty promise, as has the commitment made to the Council of Europe in 1993.

The president of the state, who signed the 1990 declaration, has recently spoken about the need for this historic agreement, the Hungarian-Romanian conciliation. It is high time that this conciliation were achieved, as it could indeed be an example for the whole East-Central European region, and it should indeed be finally recognized that Romanians and Hungarians will also have to live together in this corner of the world in 10, 20, or 100 years' time; the only question is whether we Hungarians in Romania will also be among the ones who will be living here in 10, 20, or 100 years' time and whether the president of the state or other politicians think about this coexistence in the same way as we do. We must indeed hold talks; otherwise we will finally miss getting into Europe and this is not in the interest of either the Romanians or the Hungarians in Romania. However, in this case, we must also hold talks on what kind of future is being designed for us by others and whether we can design a future for ourselves here in Transylvania, in our home.

The Hungarians of Romania want to settle their fate precisely in the spirit of the European documents, see their country's chance for lasting security in the Euroatlantic integration, and interpret the new educational law as a violation of the Romanian Constitution. European documents and constitutional decrees already exist to settle most of our problems. The only thing needed is will, a real and profound will, the will of people who are ready to turn against the increasingly loud and unbridled chorus of Romanian nationalism. Statements of intent are important, but they only make sense if, as a result, reality is also changed at last, if the laws are also finally adjusted to these statements of intent.

It would be good if those who defend the rights of a community were not constantly declared extremists, or rather, that those were made to stand aside who, representing obscure interests with inciting and instigating intentions and statements, are the biggest obstacles to integration, who deceive their own public, and incite fear and hatred. It would be good if responsible politicians finally condemned this, rather than searching day and night for faults in us.

Today, we are committing ourselves to mother-tongue education and are protesting against the education law. Can we accept others telling us when and how we can learn Hungarian? Can we accept a senator or deputy who does not know our language or our culture lecturing us on the issue of Hungarian schools? Is this what democracy is about? I do not wish to offend anyone and do not want to say that no one else can express his views on this issue. However, should they not begin by considering our views as the standard? Should it not be the starting point that to what extent will a Romanian child's or student's right be infringed if a Hungarian child can study in Hungarian? Is this not the most important issue? Should it not have been looked at, if the fact that we can use our own mother tongue and culture damages the mother tongue or culture of others?

This is all we want. This is the basis for agreement and conciliation.

This is so in education as well as in all areas of public life. With our individual votes, we should jointly decide our common affairs. We should be able to decide on our own affairs ourselves and have the right to express our opinion and to make decisions. This is true democracy and this is the real equality of opportunity.

We will not deviate from this principle; we have no reason to do so, because we have the strength to face even the most difficult circumstances in the interest of a future that is also for us.

Many of our opponents still look back on history as a series of terrible vendettas; many of them are still searching for such examples in the past. We do not do this. At the most, we think about the fact that it is historical shortsightedness not to notice the similarities between the demands of the Memorandum Movement [at the end of 19th century] and the current needs of Hungarians. However, we will not necessarily seek analogies and repetitions in history, except for one important lesson: Our predecessors would go far afield to enrich their knowledge; they would challenge narrow-minded rulers over the issue of a school; Szekler peasants would have one of their children taught even if it was a sacrifice; this town where we have now gathered already had a school centuries ago; Transylvania is a land of tolerance and not only conflicts; people were able to worship God in their own language and faith long ago; and the school, the means of acquiring knowledge, is perhaps worth more than anything else in storms and good weather and in poverty and in wealth.

I would now like to bow my head before the former schoolmasters and I would also like us to bow our heads before the current and future schoolmasters. Together with us, it is also their task to keep the mother tongue alive and to work with it at an ever higher level, even under these difficult circumstances.

We must have strength and energy to do this. We have plenty of reason to be bitter because, around us, a hesitating Europe with a wait-and-see policy is watching how a bloody and incomprehensible war is being fought in our vicinity, in the former Yugoslavia, and open or covert aggression rules many areas in the world, but we must not believe that the end of the 20th century is leading us up a blind alley.

Faint-heartedness and disillusionment do not lead anywhere. Or if they do, they only lead the disappointed people somewhere else, to other lands. This is equal to surrendering and to giving up. We cannot do this; we must work and fight because we have something and someone to fight for and there is a point in our struggle.

Because there is a way out. We are seeking support, moral and political aid domestically and in Europe, because without it, without this kind of thinking together, no solution seems possible. However, what is most important is that we belong together, our solidarity, the showing of our unified will, the determination that we must never relinquish our honest goals under any circumstances, and we will never do so.

This is the reason that we have gathered here today.

PDSR Competing With PUNR in Transylvania

AU1209202995 Bucharest VOCEA ROMANIEI in Romanian 6 Sep 95 p 2

[Interview with PDSR spokesman Dumitru Paslaru by Adela Danica; place and date not given: "Romania Is Not Divided Into Spheres of Influence of the Parties"]

[FBIS Translated Text] [Danica] You belonged to the leadership group of the Social Democracy Party of Romania [PDSR], which visited localities in northern Transylvania last summer. Was one of the purposes of this visit to feel the pulse of the local organizations?

[Paslaru] Indeed, we had a number of meetings with our party organizations in Maramures, Satu Mare, and Salaj counties to examine the current situation there, which varies, from case to case, from encouraging to discouraging, depending on the motivation at work of the respective political activity. Of course, Transylvania is not our region of maximum success, but it is of real interest for us, because the Romanian National Unity Party [PUNR] and the Democratic Union of Hungarians in Romania [UDMR] are facing each other here. Since we are not in favor of regional parties, we believe that, as the PUNR can carry out its political activity in any part of the country, there can be no territories where the PDSR should not have access.

[Danica] Does this mean that you are going to compete with the PUNR?

[Paslaru] Of course, we are engaged in a competition for drawing members toward our respective parties. Paradoxically, this competition is more conspicuous between parties with the same orientation. When an electoral segment is oriented toward the left, for instance, all left-wing parties will hurry to secure it for itself. Therefore, I believe that we can talk about a competition here, which I is not a bad thing, come to think of it. Romania has not been territorially divided into spheres of interest of the parties and the Romanian social spectrum is not divided along extrapolitical criteria. Only the UDMR, through its many actions, tries to maintain an electoral segment in captivity, to suit its political interests. At stake in the negotiations on the basic treaty between Romania and Hungary is not the fate of the Hungarian minority, but the fate of this minority's party.

Federal

U.S. Officials To Reduce Effects of Sanctions

LD1209182395 Belgrade TANJUG in English 1814 GMT 12 Sep 95

[FBIS Transcribed Text] Belgrade, Sept 12 (TANJUG)—Sanctions against Yugoslavia, for the consequences they have caused, represent the worst form of genocide, senior Yugoslav officials said in a talk with foreign officials here on Tuesday.

Participating in the talk were assistants of Yugoslav minister for labour, health and social affairs Maksim Korac and Milorad Velickovic, and Robert Callard of the U.S. authority for international organisations and Harvey Lee, economic adviser in the U.S. Embassy in Belgrade.

The adverse effects of the embargo most affect the ill, elderly, feeble and children, and the 700,000 refugees now living in Yugoslvia, the Yugoslav side said.

Callard and Lee said that they realized how harmful the sanctions were and that they would do what they could to reduce their effects in the humanitarian sphere as much as possible.

They said that substantial aid would be sent to Yugoslavia for taking care of refugees from Krajina through the U.S. disaster relief team.

The two sides agreed that sanctions should not be used as a method of pressure by the international community in the future considering the consequences they cause, the statement of the Yugoslav information secretariat said.

Milutinovic Sees 'Huge Breakthrough' in Geneva

AU1209180195 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 9 Sep 95 p 4

["Exclusive" interview with Yugoslav Foreign Minister Milan Milutinovic by G.Cvorovic in Geneva; date not given: "Crucial Moment"]

[FBIS Translated Text] After the meeting at the Geneva Conference, FRY Foreign Minister Milan Milutinovic presented his views on the conference "exclusively" for NOVOSTI.

[Cvorovic] Has the path to peace finally been paved in Geneva?

[Milutinovic] I think that we are going through a crucial time and that everything or nothing will take place in the coming 15 days. A huge breakthrough has been made. Everybody is using expressions such as "historical" or "crucial." Unfortunately, however, I also have to use them now. For the first time, the international community has recognized the equality [jednakopravnost] of two entities in Bosnia, and these are the Muslim-Croatian federation and the Serb Republic, which has virtually been officially acknowledged [ozvanicen]. Everybody at the conference has normally accepted that to be an expression of sovereignty, although Point 1 includes a suprastructure [natkrilje] that is called the territorial integrity and sovereignty of Bosnia. Everything mentioned above speaks about the equal rights of those two entities, which retain their constitutions, their entirety, and their right to enter confederal relations with neighbors. The second part that is still missing is the equal treatment of air raids and NATO operations, but I still think that serious progress has been achieved on the political plane.

Regarding the territory, the 51:49 ratio remained, but the maps are not "fixed." They can be changed and adjusted according to both sides' priorities.

In fact, if I wanted to prophesy on the issue of maps, I think that might be much easier than other issues.

[Cvorovic] Has the FRY fully accepted the basic principles offered as the final document?

[Milutinovic] It has. We had many discussions about that. There have been other versions, but as there were three sides, a form of compromise was reached. However, it meets our basic demand about the equality of all sides.

[Cvorovic] What connection will there be between the Serb Republic and the FRY and are the concept of inviolability of internationally recognized borders of the so-called Bosnia-Herzegovina and the confederal links between the Serb Republic and the FRY mutually exclusive?

[Milutinovic] No, they are not, because the inviolability of borders means that nobody will appropriate a part of Bosnia. The term sovereignty in this part of Point 1, when compared with others, contains a lot of fictitious elements.

[Cvorovic] When will the lifting or suspention of the sanctions on the FRY be discussed?

[Milutinovic] Of course, that will also be put on the agenda. What follows is a series of moves that would automatically have to lead to the suspension of the sanctions without limits or the possibility of imposing them again. After all, an implementable solution would also lead to the formal abolishment of sanctions.

[Cvorovic] If diplomatic initiatives continue to come at this rate, when may we realistically expect an answer leading to a solution to the crisis?

[Milutinovic] It is hard to say. It is expected to take place three weeks from today. I, personally, do not believe that this can happen so quickly. However, this meeting, which was planned to take place on 12 September, was held four days earlier. Many issues have been settled with constitutional principles, therefore technical solutions are also possible.

Milutinovic, Koljevic View Geneva Agreement

AU1109125695

[FBIS Editorial Report] Belgrade RTB Television Network in Serbo-Croatian at 1827 GMT on 10 September within its "Interview With a Reason" (Razgovor sa povodom) program broadcasts a recorded studio interview with FRY Foreign Minister Milan Milutinovic and Bosnian Serb "vice president" Nikola Koljevic. The anchor in the studio is Zoran Jevdjovic. The interview focuses on the Geneva agreement on ending the war in Bosnia-Herzegovina made by FRY Foreign Minister Milutinovic, Croatian Foreign Minister Granic, and Bosnian Foreign Minister Sacirbegovic on 8 September.

Asked at the beginning of the program to give his impressions of the Geneva agreement, Milutinovic says that "the main thing achieved at the conference, the thing that has an irrevocable character and on which we cannot go back, is a kind of, not a kind of, but precisely the equal rights (jednakopravnost) of both entities, both sides in the Bosnia-Herzegovina crisis, and, of course, something that is the most important for us, the official acknowledgment [ozvanicenje] of the Serb Republic. In a way, if we were to look at all this more closely, although it is perhaps silly for me to say this, as it concerns more the Serb Republic and the people who live there, they should effectively declare 8 September as their national holiday. The second achievement is that both entities, the Muslim-Croat Federation and the Serb Republic, will effectively continue to live under their current constitutions."

In Milutinovic's view, this means that "everyone remains on his own territory, everyone has his own setup, everyone has his own parliament, government, and everything else that goes with it. Therefore, things are very clear here. With this page, a page and half of principles, the international community has done what we have been striving for since the beginning of the conflicts on the territory of Yugoslavia, namely equal rights. We have now achieved this in practice. There is no going back. This is the essence. Of course, the 49:51 ratio with regard to the territories is still there, but the maps will not longer remain the same. Of course, we have a big job ahead of us. The thing is not finished. The foundations have been laid and one cannot go back from these. This means that we must only go forward, not back."

Koljevic agrees with Milutinovic's assessment, saying that "it has been an honor and a pleasure to work together with Mr. Milutinovic. We are not talking only about personal relations. He has been, if I may say so, easy to get on with and helpful. There is also the symbolic value in the fact that we are working together as parts of the same nation. This is a big thing. Our people could hardly wait for us to start working together and now they have finally seen this.

"Everything that Mr. Milutinovic has said is correct with regard to the official acknowledgment. As a representative of the Serb Republic, I can say that I share the enthusiasm concerning that fact. As a professor and not only as vice president, I am also particularly happy with a small detail in the paragraph that refers to the Serb Republic. The term used is Republika Srpska, and not the Republic of Srpska. I would like to tell the viewers that this little detail is of certain significance. In the past 10-20 years, the West has been trying to rid itself of so-called cultural imperialism, the way in which it uses foreign terms in its language. For instance, it uses the term Belgrade for Beograd, it does not use Beograd. There is a big and strong tendency to rid itself of the accusations of cultural imperialism. The fact that the term Republika Srpska is being used illustrates the seriousness of their intentions officially to make things what they are. As far as I know, there is not a single republic that is not a state. It may be a part of some other union, some other states. This is also significant."

According to Koljevic, "the principle of equal rights guarantees that we, too, will participate, on an equal footing, in the making of decisions on what kind of country, what kind of union, what kind of association of states we want. So, at the beginning we already have the guarantees that we will be making decisions, together with our partners, I would say, on the type of state."

Asked to explain the meaning of "equal rights," Koljevic says that "first, our old thesis, and not only thesis, but also belief, is that our aims have been limited and just. We did not want political domination. We could have not prevented in any other way political domination in this magic B-H triangle, where two parties have always been against the third party—let us recall the old term of unprincipled coalition. This has now been eliminated. There are two entities. We will have our territorial integrity. With this, we will be protected from political domination and, of course, we will have the possibility to associate freely with neighboring countries. I think everyone knows which the neighboring country is."

Expressing his views on the right to links with other countries, Milutinovic says that "the right to confederal links in the agreement, or in the basic principles, states that the Muslim-Croat Federation has been founded with the Washington Accord. A part of the Washington Accord stipulates the right to confederal links with Croatia. (?Now) there is a special article that enables both entities to do that. I would also like to stress that, tentatively speaking, all this is written in diplomatic language. However, when things are read more literally, everything has a certain meaning, and everything is clear. This is especially clear to the international community and members of the Contact Group, and everybody who was present there. After all, this was also clear to the representatives of the government in Sarajevo and the government in Zagreb. This was clear to everyone. As Professor Koljevic said, at the very conference they were speaking and pronouncing words in the way he explained a few minutes ago. No one spoke any longer about the Bosnian Serbs, but about Republika Srpska. They have already started using the terms contained in the agreement."

Continuing on the same topic, Milutinovic also says that "the most important thing is that we, the international community, cannot go below that. We can only go forward. Of course, the condition for that, not in the literal sense, is that the bombing stop, that we have peace on the ground, that we create conditions to complete the job. With these basic principles the job has been completed to a significant degree regarding the principles, but as far as details are concerned, as the professor said, we have much hard work ahead of us, and relatively fast work, but not hasty work."

Asked to comment about NATO bombings, Milutinovic says that "it is difficult, of course, to negotiating under bombs. However, we must do everything to finally arrive at peace in this region, to finally arrive at an agreement the way we have envisaged it, and to do this as soon as possible. I think that the international community is becoming increasingly aware that all this is counterproductive, that the policy of carrot and stick is counterproductive. I think that they will very quickly abandon it, as they have themselves realized that peace and a peaceful solution are the only way to resolve the situation and to find an agreement. I think that this view is prevailing. Of course, every one of them has his own problems and his gods of war whom he needs to overcome."

Asked about the contribution of the Yugoslav diplomacy and Serbian President Milosevic, Milutinovic say that "for years President Milosevic has persistently insisted on peace and equality. All international centers of power and our partners emphasize that Belgrade's role has been unsurpassed, practically crucial and also catalyzing, so to speak. Namely, everything that Belgrade agrees to can be considered a deal, if I may say so. I believe that everybody has realized this and that everybody departs from here and ends here. This may sound a little pretentious; however, this is the case. Everything that we have been saying for years they now embraced as the only possible way for the resolution of the crisis. They have, if I may say so, come on our track, and by using this track we have finally reached the common aim. Well, the paths may be a bit winding, but the process will not drag on."

Asked to comment about "the crown of diplomatic efforts of Yugoslavia and President Milosevic over a longer period of time," Koljevic says that the Bosnian Serb Assembly also embraced the policy of peace by accepting the U.S. plan. He emphasizes that "joint work" for the vital interests of all Serbian people is the most important factor. He then goes to say that "since the beginning of the war, we for the first time have an impression that the superpowers want peace, which is one of the big guarantees."

According to Koljevic, "perhaps people are not fully aware that there is no alternative with regard to the international community, but what is certain is that we are working as brothers, that we are working together, that nothing is being done behind our backs. This is by far more important. Perhaps not all people will realize that we do not in fact have an alternative. We could fight until the last man and promote the idea that it will not be an easy job for them in Bosnian hills, but what is more important is that there is full trust that we are working together and that we are not working for some partial interests of different sections of the Serb people, but that we are indeed working for peace and vital interests."

Koljevic then goes on to say that "our experience, our suspicions are based on the bad experience with the previous conferences. This danger no longer exists. In other words, a comprehensive approach has been adopted. We will not have the maps imposed on us first and then be asked to talk about territories. Work will be done simultaneously. There can be no methods of blackmail. No one will be able to say: You have accepted this, but let us have another conference. It appears to me that this is our last chance and the last conference. After all, if one knows who is in charge of the conference, which is the five world powers, then the conference must simply not fail. As I have already said, if one is to judge the day by the morning, then we will soon have a clear sky."

Asked to comment on the disagreements about NATO bombing in the West and "particularly" in Russia, Milutinovic says: "I said a few minutes ago that there are more and more voices being raised against the bombing and the alternating use of carrot and stick all the time. This has become extremely counterproductive. I think everyone is gradually realizing this, since there is no longer a reason to apply this. I think that things will sort themselves out. Of course, this also depends on the situation in the Serb Republic, and the readiness to accept various options there. I think that it also depends on the restraint in the Serb Republic with regard to all this situation. Of course, it also depends on the willingness of the Muslims and the Croats not to use the situation and launch attacks. Of course, we were given certain guarantees that this would not happen, but things must proceed in their normal way. There is no logic whatsoever to continue the war operations now, by anyone, by NATO, by the Muslims, by the Croats, and so forth, because we have agreed on the basis. If we want to have a real peace, then we should all try to exercise maximum restraint and continue the work that we have started."

Asked about the pace of the future talks, Milutinovic says that "thorough talks will probably continue next weekend. The Contact Group is meeting in Geneva on Thursday or Friday to get accustomed, so to speak, to what has been accomplished so far, and to harmonize their views on the next stage, so that they can come here to discuss what to do next in the second stage. A week after that, the Contact Group will meet in Moscow. In the next 15 days we should practically round off the details and create the conditions for the conference. Of course, not every detail will be solved by the time of the conference. Things should be finalized at the conference itself. I do not expect the final conference, the five plus three, as announced, to be short or easy. It will not end in one day. There will be no camera flashes and signatures after one day. More harmonization of views will take place at the conference itself. In the next 15 days we should work out the basic principles and create the conditions for all the parties to come to the conference with a clear picture of what to expect at the conference, what principles have been worked out in detail, be it maps or constitutional arrangements, and to make the final agreement at the conference itself."

On the subject of UN sanctions against the FRY, Milutinovic confirms that lifting sanctions is an essential element of the package, adding that "there is no package without the sanctions," "that this is no longer the contentious issue" and that this has been made plain from the very beginning.

Commenting on the same issue, Koljevic says that "I would like to add that for the Serbs from the Serb Republic it is particularly important that as soon as we finalize this agreement we will create our agreement on confederation, on the so-called special ties, and there will no longer be any problems with the border nor with what has been the problem so far. In fact, our agreement will enable us to resolve completely all the existing barriers and disagreements among us with the blessing of approval, so to speak, of the international community."

In the conclusion, Milutinovic says he is optimistic about the future talks and says that he will do everything within his power "to end the matter as quickly as possible, as well as possible, and in the manner agreed." He says that the agreement reached in Geneva is a good enough reason for optimism and so is the fact that nobody wishes to drag out the process.

Koljevic says "one cannot be a politician without being an optimist, even if one is not entirely convinced himself. This is professional optimism, or optimism without a reason. This time I am an optimist with a reason. My only problem is how to convince my wife, but I think that this will not be a problem in Pale."

Serb Refugees To Settle Away From Hungarians

LD1209140595 Budapest Kossuth Radio Network in Hungarian 1200 GMT 12 Sep 95

[FBIS Translated Text] The Serbian Government has offered ethnic Hungarians in Vojvodina to review jointly the possibilities of securing autonomy on the level of individual members of the ethnic community. At the negotiations held in Belgrade this offer was accepted by the Democratic Community of Hungarians in Vojvodina [DZVM] representatives who added, however, that they want to ask the Hungarian and Serbian governments to cooperate with them in establishing autonomy in Vojvodina.

The Serbian ministers also promised that the Serb refugees will soon be transferred to centers other than Hungarian-populated villages in Vojvodina which have received especially large numbers of Serb refugees from Krajina.

Humanitarian Situation in Yugoslavia Serious

LD1209115695 Belgrade TANJUG in English 1120 GMT 12 Sep 95

["Pool" item; By Vera Raskov]

[FBIS Transcribed Text] Belgrade, Sept. 12 (TANJUG)—A Yugoslav delegation, which meets on Tuesday and Wednesday [12-13 September] in

Geneva with top officials of international humanitarian organizations, will underscore the disastrous humanitarian situation in the Federal Republic of Yugoslavia following the arrival of more than 160,000 Serbs who fled the Republic of Serb Krajina.

Croatia on August 4 launched an offensive on Serb Krajina, which was a U.N.-protected area, causing about 250,000 Serbs to flee the region and seek refugee in neighboring Yugoslavia and the Bosnian Serb state Republika Sprska.

The number of refugees from the war-torn regions of the former Yugoslav federation who have found shelter in the Federal Republic of Yugoslavia, now exceeds 700,000, but Yugoslav Red Cross warehouses remain empty.

The districts of the Yugoslav Republic of Serbia are no longer able to provide decent meals for the refugees, and families who have taken in 80 percent of the refugees are barely making ends meet due to the general drop in living standards caused by the U.N. sanctions.

Yugoslav Red Cross data shows that 30 percent of the newest refugees from Serb Krajina are older than 55 years and that nearly 40 percent are children younger than 15 years.

The refugees have no adequate clothing and footwear, and in many districts they have been given accommodation in schools and sports halls.

Although international humanitarian organizations sent relief aid immediately upon the arrival of the newest wave of refugees in Yugoslavia, this was sufficient only for the most urgent needs.

Experts of international humanitarian organizations have said that this is the biggest exodus of a nation since World War Two.

In Geneva the Yugoslav delegation will meet with the officials of the International Committee of the Red Cross (ICRC), the U.N. High Commissariat for Refugees (UNHCR), UNICEF and the World Health Organization (WHO) to inform them what the Yugoslav Government needs to provide for the latest wave of refugees from Serb Krajina and what the difficulties are regarding the 'old' refugees which number 500,000.

UNHCR To Double Aid

LD1209193895 Belgrade TANJUG in English 1909 GMT 12 Sep 95

[FBIS Transcribed Text] Geneva, Sept. 12 (TANJUG)—The U.N. High Commissioner for Refugees [UNHCR] will double aid to Yugosolavia for the new influx of more than 160,000 refugees from Krajina, UNHCR Sadako Ogat said on Tuesday.

This year's budget for Yugoslavia amounted to 23 million U.S. dollars. The UNHCR will ask its donors for another 25 million dollars, said Ogata in talks with a Yugoslav delegation in Geneva.

The Yugoslav delegation, headed by Minister for Humanitarian Affairs Tomica Raicevic, said Yugoslavia, encumbered by the international sanctions, was unable to cope with the refugees alone.

Before the last wave of refugees from Krajina, there were about 500,000 refugees in Yugoslavia from Croatia and Bosnia-Herzegovina.

In talks with Vice President of the International Committee of the Red Cross Eric Rothlisberg, Yugoslav officials said they hoped the ICRC would shed light on the disappearance of about 10,000 Krajina Serbs who went missing in Croatia en route to Yugoslavia.

Rothlisberg said investigations were hindered as the Croatian authorities would not allow ICRC officials access to the locations.

The Yugoslav side called for the convening of a conference in Geneva at the end of the month.

Croatian Statements Reveal 'Contemptible' Regime

LD1309104195 Belgrade TANJUG in English 1018 GMT 13 Sep 95

[By Nikola Stanojevic; "pool" item]

[FBIS Transcribed Text] Zagreb, Sept 13 (TANJUG)—Croatian officials' contradictory statements about looting and torching of Serb houses in Serb Krajina reveal how contemptible its regime is in its efforts to convince the world that there were "only isolated incidents" during and after its aggression on Krajina, making no mention of killings of civilians.

Croatian President Franjo Tudjman at first denied all reports about looting and torching except those he said were "caused" by military operations. Even when he admitted that such incidents had indeed happened, he described them as "isolated cases."

Overjoyed and almost hoarse with excitement, Tudjman exclaimed that the next population census would show that Serbs had never lived in Croatia.

After Croatia's aggression against southern and northern parts of Serb Krajina in early August 1995, its troops systematically destroyed entire Serb villages and towns.

Irrefutable proof recently forced commander of Knin Lt.Gen. Ivan Cermak to admit that there was torching and looting, but, obeying Tudjman's orders, he said that these were "isolated" cases.

Cermak's claims were heard in parallel with U.N. statements that reports were still coming in of looting and torching of "hundreds of serb houses" throughout Krajina.

In an effort to "cover up" what was reported during and after the exodus of Serbs, Croatian Interior Minister Ivan Jarnjak explained in an interview with the NEDJELJNA DALMACIJA paper published on September 8 that, on leaving Krajina, Serbs had "left machines and household appliances on and this set fire" to their homes.

Jarnjak failed to explain how "household appliances" could have set hundreds and even thousands of houses on fire, even up to 80 percent of them in some settlements. Moreover, Croatian authorities only recently reported that electricity has been restored in certain towns.

The Split weekly FERAL TRIBUNE has quoted an E.U. associate as saying that Croatia's admission to the union is not even being considered because Croatia is notoriously nostalgic for the Nazi and fascist era, which it said is an instance unique in Europe.

Europe is yet to "realize" that Croatia is not only nostalgic for the Nazi era and the World War II fascist independent state of Croatia and its infamous Ustasha leader Ante Pavelic, but is actually a state implementing fascist ideas since it set up its "independent and democratic state."

New Democracy, Governor on Privatization, Reform

AU1209202895 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 12 Sep 95

[Report by Zeljko Avramovic—recorded]

[FBIS Translated Text] Privatization and social reform as the second stage of the program of economic recovery must be carried out in the shortest possible time, acknowledging other countries' experience and respecting our specificities, using in a simple way the proven models that ensure efficiency, Svetozar Krstic, member of the New Democracy Executive Committee and republican deputy prime minister, said at the expanded session of the party's executive committee, which was also attended by Yugoslav National Bank Governor Dragoslav Avramovic. Discussed at the session were the basics of the social reform, property identification, and democratization of property relations.

Studying privatization models, Krstic said, we decided in favor of a combined system whose essence is in the attempt to sell in a reasonable time a part of state and private property that may be sold, and, in order to avoid obstructing economic progress and slowing down the necessary reforms, the remaining part is being privatized by a symbolic sale or by free transfer.

In the first stage, it is necessary to perform a part of privatization by selling enterprises. This stage serves freeing the state of debts—that is, servicing debts to foreign creditors, savers, and pensioners—Krstic pointed out.

In the second stage, which would be carried out simultaneously with the first one, shares would be sold to employees and the people who were employed by certain firms. Vouchers [vaucer] will also be distributed to all adult citizens. The privatization tender, the vouchers, will be issued by the National Bank and sold to all adult citizens in equal quantities. Resources earned in that way will be used to support the economic program and stimulate firms' production transformation.

Taking part in the debate, Governor Avramovic emphasized that privatization is a central issue. Banks are suffering great pressure as demand for loans is on the increase. Firms lack working assets. Industrial prices are on the increase because capacities are used less and lass and competition is lacking. It is therefore necessary to create competition within our economy and to identify property.

[Dragoslav Avramovic] The fear of privatization turning out solely into exploitation en masse is great and therefore it is only fair to give a part of the existing socially owned resources to the working class either free of charge, that is in the form of shares, or at privileged, minimum prices.

The second third [word indistinct] to those people who participated in creating this wealth—that is, to pensioners. There are also the state's obligations. There are obligations toward the old foreign currency savings and perhaps toward valorizing some other savings. There are also some poor people here who had dinar savings that were squandered. One has also to pay attention to that once. Well, we cannot do so now, but we should one time.

There are also pension funds, so to speak. Pension funds, foreign currency funds, or state obligations will also get one-third.

The final third, or whatever ratio is taken, is given in vouchers. In this way, one immediately creates capital market without any need to establish values in advance. The market will have value in a week.

[Zeljko Avramovic] It is only in this way that one can continue to implement the program and create conditions for the Yugoslav economy to return to international market currents, Governor Avramovic concluded.

Serbia

Milosevic-Bildt Talks Focus on NATO Actions

LD1209173495 Belgrade TANJUG Domestic Service in Serbo-Croatian 1652 GMT 12 Sep 95

[FBIS Translated Text] Belgrade, 12 Sep (TANJUG)—This afternoon Serbian President Slobodan Milosevic received Carl Bildt, cochairman of the International Conference on Former Yugoslavia; their talks focused on the current issues of the peace process.

They had a far-ranging exchange of views on the current situation in Bosnia-Herzegovina and on the moves that ought to be taken in order to preserve the current momentum, which is conductive to reaching a successful outcome of the peace process.

It was stressed that a commitment publicly displayed by the international community with regard to the quick and effective restoration of peace and to reaching a political solution is contrary to the escalation of war actions, particularly to NATO air strikes.

Restoring to aggressive means at a time when all political conditions for the final restoration of peace in war-affected areas have been created can only lend support to forces aspiring to continue the war.

Therefore, it is necessary to work out a cessation of all armed actions immediately and thus contribute to the speeding up and intensification of the peace process, which should be crowned soon by the holding of an international peace conference.

The talks were also attended by Yugoslav Foreign Affairs Minister Milan Milutinovic.

Raids Contradict Peace Efforts

AU1209200395 Paris AFP in English 1946 GMT 12 Sep 95

[FBIS Transcribed Text] Belgrade, Sept 12 (AFP)—Serbian President Slobodan Milosevic hit out Tuesday at NATO air raids against Bosnian Serb positions which he said contradicted efforts to bring peace to Bosnia.

Speaking after talks with EU mediator Carl Bildt here, Milosevic launched his strongest condemnation so far of the continued bombardment of Serb targets, saying the use of force "serves those forces who want the war to continue."

"The stated aim of the international community to reestablish peace quickly and effectively... is contradicted by the escalation of military operations, particularly NATO air strikes," Milosevic said.

Milosevic, who has generally sought out a moderate line on the conflict in former Yugoslavia, nonetheless called for "the immediate cessation of all military operations" to enable the peace process to develop.

Significantly, his statement came just hours after a key nationalist opposition leader in Belgrade slammed Milosevic for not having spoken out more strongly against the NATO campaign.

"The criminal bombardment against Serb civilian and military targets... are getting the implicit support of Slobodan Milosevic," Vojislav Seselj, leader of the Serbian Radical Party (SRS), said Tuesday.

Tuesday's meeting between Milosevic and Bildt came as part of the diplomatic push to find a solution to the Bosnian crisis, thrown into further turmoil in the past two weeks by NATO's Operation Deliberate Force.

The Serbs have refused to pull back their weapons in line with joint UN-NATO demands before the Bosnian government gives assurances it will not seize a military initiative from the air raid campaign and launch an offensive.

Bildt said he regretted the Serbs' reluctance to comply with UN demands, particularly as Sarajevo had already guaranteed not to exploit NATO's strikes for military gain.

"We've had insurances from the Bosnian government they are not going to take offensive actions where there are NATO air strikes," Bildt said.

The EU mediator also said he was disappointed the Serbs had not responded to the air attacks by pulling back their heavy weapons from around Sarajevo in line with joint UN-NATO demands.

"I wish that I had got any information that (Bosnian Serb army chief) General Mladic was ready to start withdrawing heavy weapons from around Sarajevo," Bildt said.

"As soon as withdrawal of heavy weapons from Sarajevo starts, the sky will be clear.

"It would be the end of the air strikes," he added.

The meeting came ahead of the arrival due late Tuesday of U.S. envoy Richard Holbrooke, who is expected to hold talks with Milosevic on Wednesday, diplomats said.

Holbrooke's meeting follows the talks in Geneva last Friday between Bosnia, Croatia, and Serbia chaired by the U.S. assistant secretary of state.

Bildt said that meeting was a cause for optimism, despite Serb threats subsequently to pull out of the peace process if the NATO attacks continued.

"I think there is a strong commitment from all parties to the political peace process," Bildt said. "That makes me cautiously optimistic concerning the possibilities of moving forward the next few weeks on completing the peace agreement."

Markovic Expected To Return to Belgrade

AU1009194795 Belgrade NASA BORBA in Serbo-Croatian 8 Sep 95 p 20

[Article by V.S.: "Dr. Zvonimir Markovic Is Returning From Consultations to Belgrade"]

[FBIS Translated Text] Belgrade—As NASA BORBA has learned unofficially, Dr. Zvonimir Markovic, ambassador in the Croatian Foreign Ministry and chief of the Croatian Government Bureau in Belgrade, is expected to return to Belgrade within 10 days, from where he had been recalled to Zagreb a few days after the Operation Storm in Krajina. Markovic was recalled by Zagreb "for consultations" only two days after Veljko Knezevic, chief of the FRY Government Bureau in the Croatian capital, had been recalled "for consultations."

The imminent return of the Bureau chief Markovic probably also means (the official) reopening of this office, which was closed immediately after his recall to Zagreb, for the work with parties.

The return of the Bureau chief to Belgrade is awaited by numerous Serbian refugees from Krajina and FRY citizens who would like to report property that they possess in Croatia, as requested by a special degree of the Croatian authorities, in this office.

The 30-day deadline for the registration of this property started on 6 September and it is believed that Mr. Markovic will arrive in Belgrade before the expiration of this date.

Sandzak SDA on Belgrade, Pale Confederal Ties

AU0809145395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 8 Sep 95

[FBIS Translated Text] Rasim Ljajic, secretary general of the Party of Democratic Action [SDA] for Sandzak yesterday received in Novi Pazar representatives of the Canadian, Dutch, and German Embassies, whom he informed about the latest developments in Sandzak.

He stressed that the Belgrade authorities were not giving up their policy of threatening the Bosniak population with the goal of making them move out more quickly from the region. Ljajic particularly reiterated the party's policy of opposing confederal ties between Belgrade and Pale, because it is only a roundabout way to the partition of Bosnia.

Kosovo

Rugova, Party Leaders Receive German Officials

AU1209132995 Pristina KOSOVA DAILY REPORT in English 11 Sep 95

[FBIS Transcribed Text] President of the Republic of Kosova, Dr. Ibrahim Rugova, received today in Prishtina [Pristina] Ms. Gisela Nauk from the International Department of the Social Democratic Party of Germany, and Dr. Marc Meinardus, regional coordinator with the Friedrich Ebert Foundation.

In the meeting, President Rugova made an account of the current state of affairs in Kosova. The situation continues to be grave due to the daily repression and violence of the Serbian regime, Dr. Rugova said. He pointed out that the installation of Serb refugees from Croatia further increases tensions in Kosova, for it is aimed at the colonization of Kosova through a forceful change of its ethnic distribution. As to the political solution of the Kosova issue, President Rugova said that an independent and neutral Kosova is the best solution. He reiterated his call for placing Kosova under an international civic administration, as a transitional solution which would create necessary preconditions for a peaceful and negotiated settlement of the issue. Other aspects of the situation in Kosova were also discussed.

Ms. Gisela Nauk and Dr. Marc Meinardus met today in Prishtina with the leadership of the Albanian political parties as well as with representatives of Kosova human rights associations and trade unions. Dr. Fehmi Agani and Hydajet Hyseni, vice chairmen of the Democratic League of Kosova; Mr. Bajram Kosumi, chairman of the Parliamentary Party of Kosova; and Tadej Rodiqi, vice chairman of the Albanian Christian Democratic Party, spoke on the course their parties have been perusing towards the realization of the independence of Kosova, reiterating that they have the consent of their membership to work in accomplishing self-determination for the people of Kosova.

Serb Police 'Harass' Kacanik Residents

AU1309162295

[FBIS Editorial Report] Pristina KOSOVA DAILY REPORT in English No 701 on 11 September carries several reports on Serbian police violence against Albanians in Kacanik and other areas.

Citing Belgrade-based POLITIKA, the report notes that over the past eight months, "the Serbian regime has collected 46.6 million dinars" in Kosovo in the name of "taxes levied on citizens and private firms." The Serbian-installed tax collection chief in Pristina is quoted to have said that "the plan has been realized to 54.6 percent" in Kosovo. POLITIKA observes that "after Belgrade, the highest efficiency in tax collection has been reported in Kosova."

Another report on 11 September points out that the Albanian residents in the Kacanik municipality have recently "been targeted" both by the Serbian police and civilians. It is noted that on 8 September, "two Serb hooligans" entered a cafe in Kacanik and "checked the identity of all those present." The Democratic League of Kosova sources from Kacanik confirm that the Serb hooligans "harassed and even maltreated" some of the Albanians there, beating up a young Albanian "severely." Reports confirm that the Albanian "had his nose broken, for which he had to seek hospitalization."

The Serbian police on 7 September arrested an Albanian from Urosevac and raided his apartment. The Albanian was later "sent to the police station" in Urosevac and he is reported "still in custody." Another report notes that the Serbian police in Podujevo summoned the Bradash local primary school secretary and interrogated him "about alleged night watch supposedly conducted during 1991." Sources from Suva Reka say that the Serbian police on 7 September "conducted raiding on some Albanian families in Grejkoc and Sallagrazhd villages."

The Serbian police have also ordered all families who "have stored wood for winter" to take it to the "so-called Serbiasuma (Serbia Forest) state company." It is reported that "over seventy percent of the Albanian population in Kosova are in possession of private owned forest," yet they get "fined" for "not having obtained permission" from "the installed Serbian authorities."

Under "the pretext of arms searches," the Serbian police on 7 September raided the homes of four Albanians at Kotlin village in Kacanik. It is reported from Mitrovica that a Serb policeman on 7 September "beat up severely" an Albanian taxi driver from Broboniq village and "ill-treated" eight other taxi drivers from the same town. Under the "pretext of arms searches," the Serbian police on 7 September raided the home of an Albanian at Hoce e Vogel village in Orahovac, detaining him and his son and "torturing" them "severely" at the police station. Under the same pretext, the Serbian police detained two Albanians from Postosel village.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.